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**AN ADDRESS**

TO THE

**PROPRIETORS OF BANK STOCK,**

THE

**London and Country Bankers**

AND THE

**PUBLIC IN GENERAL,**

ON THE AFFAIRS OF

**THE BANK OF ENGLAND.**

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"HOMINEM PAGINA NOSTRA SAPIT."—*Martial*.

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LONDON:

SAUNDERS AND OTLEY, CONDUIT STREET.

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1828.



13875

v. 26

*W. C. C.*

THE great powers possessed by the Bank of England, and the abuse in the exercise of these powers, have led to consequences of fatal injury to the country. As few persons are aware to what extent these wrongs have been inflicted, and how deeply, directly or indirectly, every individual in the state is affected by them, it is desirable that plain information of what has already occurred should be supplied ; and, as these powers, with their inherent liabilities to abuse, so far from being diminished, are constantly increased, either by new concessions yielded, or fresh advantages usurped or aimed at, it is of the highest importance that PUBLIC OPINION should exert its influence to arrest, in some measure, if

possible, the fatal progression for the present, and to prevent the renewal of the exclusive privileges of the Bank of England, at their expiration on the termination of the Bank Charter in 1833.

To those who are already acquainted with the subject, an apology might be offered for the statement of several familiar details, were it not that an excuse presents itself naturally in the advantage, which, it is presumed, will be experienced, in having in one view many particulars, which can only be found by search amongst various scattered documents.

## ADDRESS,

&c.

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THE Bank of England was established in 1694, in consequence of having made an advance to Government of 1,200,000*l.*, which sum constituted its capital. The term of the Charter granted to the Company was from 1st August, 1694, to 1st August, 1705, when it was terminable, on the repayment of the sum of 1,200,000*l.* advanced. No such repayment having been effected, renewals of the Charter have, at various periods, been made, and, at present, it is in force until the 1st of August, 1833;\* the Bank having, from time to time, made further advances to Government, amounting together to 14,686,800*l.* which (within a small difference) is the present amount of their stock or capital,† redeemable by Government at par.

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\* See Appendix, No. I.

† The exact amount of their capital is 14,553,000*l.*

Though the Bank give at present a dividend of eight per cent. per annum to the holders of their stock,\* such dividend arises from their real, or supposed, profits of business, and is not the same dividend or interest that is paid to them by Government, which is only three per cent. per annum, amounting on their capital to 440,604*l.*, whereas the dividend paid by them to the holders of their stock, at eight per cent., amounts to 1,164,240*l.* per annum.

In 1713 Government commenced issuing Exchequer Bills through the Bank of England; and

In 1718 subscriptions for loans were commenced to be received at the Bank. From this period Government have found it more convenient to employ the Company as their agents for all operations of this nature, than to transact them at the Treasury or Exchequer; and the Bank, having become by degrees more and more connected with Government, established the practice of lending money to Government, in anticipation of the land and malt taxes, and of making temporary advances on Exchequer Bills and other securities,† although in their Charter it is

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\* See Appendix, No. II. of the different rates of dividends paid by the Bank.

† Account of the Public Funds, by W. Fairman, 7th Edition, p. 56.

expressly enacted, in order that the Bank should be as little as possible connected with, or under the influence of, Government---“ *that they shall not purchase any land or revenue belonging to the Crown, or advance or lend to their Majesties, their heirs, or successors, any sums of money, by way of loan or subscription, on any part of the revenue, other than any part on which a credit of loan shall be granted by act of Parliament.*”\*

The sums thus lent to Government (in addition to the permanent debt or stock) amounted in 1781† to upwards of 8,000,000*l.*, and, by gradual increase, they had, on 19th December, 1795, advanced to 12,846,700*l.* !

This departure of the Company from the principles of banking-business and their own express Charter, in making unwarranted advances to the Government, and locking up their resources, has been the fatal cause of the chief pecuniary distresses of the nation.

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\* In order to keep to the letter of their Charter, according to the last part of this regulation, though not to the spirit, according to the first part, the Bank have always had clauses inserted in each Act for the issuing of Exchequer Bills, allowing them to make advances on such.

† See Appendix, No. V.

Government being unable to repay the money which they had borrowed, and the Bank being thus deprived of the means of meeting the demands upon them, the well-known Order in Council for suspending cash-payments was issued on the 26th of February, 1797.

“ In the Reports of the Select Committees  
 “ of the Houses of Lords and Commons, in the  
 “ examination of the Bank Directors, they at-  
 “ tribute the cause for the necessity of the order  
 “ in Council of the 26th February, 1797, to  
 “ the large advances, made by the Bank to  
 “ Government; and, as it was in the option  
 “ of the Directors, either to make or to withhold  
 “ these advances, it may be fairly presumed  
 “ that the conduct of the Directors was the  
 “ cause of the suspension of the cash payments.  
 “ It will not be very difficult to prove that the  
 “ connexion between Government and the  
 “ Bank is disadvantageous to both parties, very  
 “ prejudicial to the public in general, and to  
 “ mercantile and manufacturing interests in  
 “ particular, as the funds of the Bank ought  
 “ to be left unfettered and unincumbered.  
 “ These large advances to Government put the  
 “ funds of the Bank entirely out of their con-

“troul, so that the Directors could not regulate  
“their affairs as circumstances required.”\*

These large advances had another evil of great magnitude, in the immense increase of Bank-notes. The amount in circulation

On 25th February, 1787, was	£8,688,570
Average of . . . . 1797, —	11,019,879
Ditto . . . . . 1807, —	16,705,903
And on 15th July, 1817, —	31,439,094†

Few persons require to be informed that an increase of the circulating medium causes an increase of prices of commodities. The superabundance of money, like the superabundance of any other article, depreciates its value in comparison with other things; and, therefore, when money is abundant, and consequently depreciated in value, larger sums of such money, or, in other words, higher prices, are required for the purchase of all commodities. Money abundant and articles dear, mean the same thing.

It is a fact almost too notorious to mention, were it not for the sake of historical progression, that the increased circulation caused a

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\* An Address to the Proprietors of the Bank of England, by A. Allardyce, Esq. M.P. London, 1798.

† See also Appendix, No. VII.

general increase of prices ; that property became transferred and revolutionized ; and that, though the pound sterling was nominally the same, it was intrinsically changed in value. At length, the return to metallic currency took place on the 1st May, 1821, after a suspension of cash payments of nearly twenty-five years. This was very unwillingly acceded to by the Company, \* and may chiefly be attributed to the call of PUBLIC OPINION.

The Bank being obliged gradually to reduce their issues† to meet this return to cash, caused a re-action and counter revolution in money ; but the public submitted willingly to a sacrifice that they conceived would insure a “ sound state of things.”

This pleasing expectation was, however, not suffered to be long entertained ; for, in less than two years from the resumption of cash payments, the Bank entered into a fresh advance to Government, by agreeing to pay them‡ upwards of thirteen millions, against an

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\* See Appendix, No. X.

† Bank-notes in circulation—On 15th July 1817 - - £31,439,095  
 \_\_\_\_\_ 24th Feb. 1821 - - 24,049,421  
 \_\_\_\_\_ 1822 - - 18,348,009

See also Appendices, Nos. VII. and VIII.

‡ See Appendix, No. XII.

annuity of 585,740*l.*, for forty-four years, which transaction is known by the name of the *dead weight*. About the same period they came to the determination of making advances on mortgage, on long-dated bills, and even on stock, to say nothing of the celebrated loan of bullion made to Mr. Rothschild.

These various operations led to a gradual increase of Bank-notes ; and the superabundance of money beyond the legitimate wants of the country, drove people to seek employment for their capital in the loans made for all the States of Europe and South America, and gave rise to a variety of speculations and bubbles, which demoralized all ranks of the people by the thirst of inordinate gains, and which, at length, brought on the fatal *panic* of December, 1825, and all its ruinous consequences.

The Government attributed these evils to the Country Bankers ; \* and Branches from the Bank being suggested to the Legislature and recommended to the Bank, they agreed to establish such, apparently merely yielding to the wishes of Government. It is self-evident that it was the intention of Government, when the measure was proposed, that Branches should be established only where they were wanted,

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\* See Appendix, No. XI.

from any deficiency of number, or from inefficiency of means of Country Banks, and that they should facilitate the metallic currency, by changing for gold *all notes of the Bank of England*; instead of which, the Bank has only established them where profit was to be expected, and the Branches exchange only their *local* notes; and, in a word, the whole of their proceedings evince, that the Bank of England's main object is to engross, if possible, all the banking business of the kingdom, solely for their own advantage. It is evident, therefore, that the Branches neither have afforded, nor are likely to afford, to the public any of the contemplated advantages superior to Country Banks, and that the measure has been carried into effect quite contrary to the intentions of those by whom it was recommended.

In reviewing the transactions of the Bank of England, the most prominent feature of deformity on the face of their affairs, is their connection with Government, which has caused—

1. Over-issues of money.
2. Locks-up of their resources.
3. Suspension of their payments.

The Bank of England can justly claim no higher rank than that of being the greatest Banking Establishment in the kingdom, and

their proceedings ought to be regulated by the same principles that guide smaller banking houses ; and, but for their exclusive privileges, which prevent the establishment of a competitor, would be controlled by them.

Any private banker would be blamed, and most justly blamed, for issuing more notes than his available resources would enable him to answer : so far the positions are parallel. But, in another point of view, the difference is striking. The misconduct of the private banker can only cause loss to himself and to the holders of his notes ; whereas,\* the over-issues of the Bank of

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\* Amount of Bank Notes in Circulation :

1817	26	Feb.	27,058,578							{ Peel's Bill to compel the Bank to pay in Gold, passed in 1819.
1818	26	"	28,279,043							
1819	26	"	25,947,637							
1820	8	April	24,683,533	15	July	26,384,894				
1821	7	"	23,671,274	14	"	23,361,691				
1822	6	"	17,149,300	13	"	20,896,903				{ The small Note Bill passed in 1822.
1823	5	"	16,845,840	12	"	20,785,758				
1824	3	"	19,313,989	17	"	23,004,243				
1825	2	"	20,328,979	16	"	21,763,417				
		2 Sept.	18,252,170		17 Sept.	18,252,170				{ The panic began in Nov. 1825.
		3 Dec.	17,477,294		3 Dec.	17,477,294				
		24 "	25,611,805		24 "	25,611,805				
1826	8	April,	24,947,795	15	July,	23,564,518				
1827	31	March	20,710,683	22	Sept.	22,000,000				
1828	21	"	20,500,000							

The maximum of the issues was in 1817, of which about nine millions were Notes under £5. The quotations of Sept. 1827, and March, 1828, are the amounts stated by the Governor at the General Courts.

The Deposits should be also added, but of these there is no return.

England, and the sudden contractions which are likely to follow over-issues, affect the interest of every individual, causing constant alternations of high and low prices, encouraging speculations at one moment, and, at the next, ruining those that have engaged in them. At present, the over-issues of the Bank, occasioned by advances to Government of about twenty-one millions, besides their capital of 14,553,000*l.*, their advances on mortgage, and other locks-up, have caused such superabundance of paper, that capitalists have great difficulty in employing money, and large sums are lying quite unproductive. It is estimated that at present there are deposits of unproductive capital, belonging to individuals, in the hands of the Bank of England alone, of between five and six millions.\* Does it require any argument to prove that the issues are excessive, when such is the case? Does it require any argument to prove that the issues are excessive when they are beyond the wants of the country? Though the Bank have made advances to Government of about twenty-one millions, their present dis-

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\* Report of Bank Meeting, 20th March, 1828.

counts of commercial bills are estimated not to amount to one million ;\* but if their issues were confined to the real demands of the country, interest of money would rise to its proper value, discounts would flow in upon the Bank, and they would be able to issue their notes upon the real principles of banking business, from which they are less justified in departing than any other banking establishment.

In the year 1798, Allardyce wrote on this subject, as follows :—

“ If the Court of Directors persist in their  
 “ vain endeavours to render a feeble aid to Go-  
 “ vernment, they may ruin the Bank without  
 “ giving any solid or essential assistance to the  
 “ State. Parliament is the only constitutional  
 “ source from which the exigencies of the State  
 “ can be provided for. Making permanent ad-  
 “ vances to Government disorders the whole  
 “ machinery of the Bank, and renders it inca-  
 “ pable of performing its natural functions of

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\* In 1793, their Bank Notes in circulation amounted to 11,451,180*l.*; and their discounts of Commercial Bills to 4,817,000*l.*, being considerably above one-third of their circulation. At present their Discounts do not amount to one-twentieth part of their circulation.

“ dealing in discount of paper of two months,  
 “ thereby furnishing an active capital for trade,  
 “ commerce, and manufactures, by which Go-  
 “ vernment will be more benefited than by par-  
 “ tial advances to itself, which must sooner or  
 “ later be repaid with interest.”

And the following observations, in the *Second Report from the Select Committee on the Bank resuming cash payments*,\* apply precisely to the points under discussion :—“ As the notes which  
 “ are issued by the Bank upon the discount of  
 “ mercantile bills revert to them at the expiration  
 “ of the period which those bills have to run,  
 “ and which never exceeds sixty-five days, it  
 “ is clear that that portion of their issues can be  
 “ extended or limited at their discretion ; whilst  
 “ over the notes that are issued in consequence  
 “ of advances to Government, they have not  
 “ practically the same controul. To whatever  
 “ extent these advances may be reduced, the  
 “ Bank will gain a corresponding controul over  
 “ the amount of their circulating paper, and will  
 “ be enabled to supply the diminution of notes

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\* No. 282, ordered to be printed 6th May, 1819.

“ thus created by an increase of their issues,  
 “ either upon the discount of mercantile bills, or  
 “ by the purchase of bullion, or if necessary, to  
 “ make a reduction in the total amount of notes  
 “ outstanding equal to the whole or any part of  
 “ the repayment.”

The Bank Directors shewed the utmost unwillingness to return to cash payments,\* alledging that it was impossible to do so, unless a large part of their advances was discharged. Government, in consequence, repaid them at that time about ten millions of Exchequer bills; and it is most remarkable, that they no sooner had their demand complied with, which they had evidently urged in order, if possible, to obtain a continuation of the restriction, with the profits of unlimited advances to Government, and unlimited issues of notes, and not, as they pretended, that they might have their resources more under their command, than they commenced making renewed advances on Exchequer bills, which they have continued doing annually,† began to lock up their money in mortgages, and purchased 585,740*l.* per an-

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\* See Appendix, No. X.

† See Appendix, No. VI.

num for forty-four years, of what is called the *dead weight annuity*, for which they became bound to pay Government by instalments 13,089,419*l.* This payment will be completed next July.\*

In reference to the advances made on Exchequer Bills, it is necessary to keep in view the distinction between “Exchequer Bills issued,” and “Exchequer Bills purchased.” Those of the first denomination† the Bank can

\* Appendix, No. XII.

† “The bills described as ‘*Issued*,’ are those which pass directly to the Bank from the Exchequer, under special contracts or agreements entered into. The bills ‘*Purchased*,’ are those which are taken by the Bank, when an issue of Exchequer bills takes place, and when they cannot be sold to the public at a premium. The Bank never credit any premium nor deduct any discount upon the bills thus taken, nor do they re-sell such bills to the public.”—*Report from the Commons*, No. 282, 6 May, 1819, p. 7.

And again.—“The effect of the extent of the advances to Government upon the situation of the Bank, is evidently to cramp its operations, by placing a large proportion of its issues beyond its controul. The advances made directly to Government are only repaid at the period fixed by law. The Exchequer bills purchased by the Bank could not be sold in large quantities without reducing them to a considerable discount, and this discount would bring them into the Exchequer in payment of the taxes, to such an extent as might materially derange the provisions for the public service. An understanding, therefore, without express agreement, appears to have prevailed, that when thus purchased they should not be sold by the Bank. On the other hand, the issue of notes upon discount revert to the Bank at periods so short, that any reduction of the paper

sell if they think proper, or if they can find buyers; while those of the last denomination are taken on the express understanding that they are to be dead locks-up.

The following is a copy of the last return,\* made by order of the House of Commons, of the “Amount of Advances made by the Bank of England to Government on Exchequer Bills, &c. &c. to 26th February, 1828 :”—

On account of Dividends	-	£1,085,908
Exchequer Bills issued	-	3,328,628
————— purchased	-	6,132,000
Annuity for 44 years, ( <i>or Dead weight</i> )	} - - -	10,416,859
		£20,963,395

(Signed) *H. Hase.*

*Bank of England, 12th May, 1828.*

“so issued, which circumstances may render necessary, is always within their reach. With this controul over their issues, they are enabled to feel their way, and to restrict or enlarge them, either as the wants of the country may permit or demand; or as the exchanges and the price of gold may appear to require. It appears, therefore, to the committee to be highly expedient that means should be taken to repay to the Bank a large amount of their advances at an early period.”—*Report from the Lords, 12 May, 1819, No. 291, p. 10.*

\* See Appendix, No. XX.

In addition to the Dead weight to	
February 1828, as precedes -	£10,416,859
There will be a further payment next	
July of        -        -        -        -	1,027,500
	<hr/>
Together	£11,444,359
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No official account has been rendered of the outstanding demands on the Bank of England, and of the funds for discharging the same since 1819,\* but the following estimate may be formed from different detached returns made to Parliament :—

*Demands for which the Bank is liable.*

Bank notes in circulation† 20½ millions.

Balances on account of

Bankers and other in-

dividuals unable to em-

ploy their capital‡        - 5½        „

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26 millions, due on  
demand to the  
public.

\* See Appendix, No. XVII.

† “ Bank meeting, 20th March, 1828. *Question*.—What is the amount of Bank notes issued at this time by the Bank of England ?”

*The Governor*.—“ It is about 20½ millions, or little over ; it is under 21 millions. And in this sum is included an amount not exceeding £600,000 issued for the service of the Branch Banks.”

‡ See Report of said meeting.

	Brought over	26 millions
Balance of public ac-		
counts*	- - -	4 millions, due on de-
		mand to govern-
		ment.
		<hr/>
		30 millions, due on de-
		mand.
Probable surplus profit†	3 millions, due to pro-	
	prietors of Bank	
	stock.	
		<hr/>
Total	-	<u>33 millions.</u>

Funds for discharging the same, appropriated as follows:—

Advances on Dead weight annuity	11½ millions.
————— on Exchequer Bills	- 9½ „
————— on Account of Dividends	1 „
————— on Mortgages	- - 2 „
————— on Buildings	- - 1 „
	<hr/>
Dead locks-up	- - - 25 millions.
Bills discounted	- - - 1 million.
Probable balance in hand	- - 7 millions.
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Total	- <u>33 millions, as</u>
	above.

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\* The last account published shewed an average of £4,223,867, as per Parliamentary papers, No. 316, 13th May, 1828, and Appendix, No. XX.

† The surplus balance, by account rendered to Parliament by the Bank, was, in 1819, £5,202,320. See Appendix, No. XVII. which must

To the union of over-issues and locks-up, both arising from the Bank's connection with Government, and its departure from the legitimate principles of Banking business, are attributable the pecuniary distresses that have ensued.

In 1797 they caused the suspension of Cash-payments,\* which lasted a quarter of a century ; in 1825 they caused the *Panic*, when a second suspension was, with great difficulty, avoided ;† and now they expose the Bank proprietors to the danger of bankruptcy. Not from the insolvency of the Bank, but from the loss of command of their resources. How many a commercial failure takes place from similar causes !

have been considerably diminished by the Bank continuing to pay 10 per cent. dividend even after the return to cash payments up to March, 1823.

\* The following are the amounts of the advances to Government, and of the progressive drain of gold before the suspension:—

	Amount of advances by the Bank to Go- vernment.	Amount of Cash and Bullion in the hands of the Bank.
1794	- 10,816,867	- 8,608,000
1795	- 13,118,013	- 7,940,000
1796	- 12,717,239	- 2,972,000
(26 Feb.) 1797	- 10,181,862	- 1,272,000

† And a Cabinet minister acknowledged in the House of Commons, that we had been within a few hours of a state of barter.

and how many a man worth upwards of twenty shillings in the pound, has been obliged to go into the Gazette !

It has been seen from extracts (page 6) of Allardyce's Address in 1798, how much the Bank Directors were then blamed for their proceedings, even when they had made repeated\* applications to Government for repayments, and when Government was at least equally to blame. What can their strongest advocates and most partial friends say, in favour of the Managers of the affairs of the Bank, for their conduct since the resumption, when they have retrod the old path of error, without the excuses of inexperience, but fully conscious of its dangers at every step, and of the precipice from which they may be hurled, dragging the whole nation with them, and contrary to the dictates of prudence and of duty, and contrary to the express recommendations of the Legislature, which points out

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\* By the Reports of the Committees of Lords and Commons, it appears that the Court of Directors, between the 14th January, 1795, and 24th February 1797, had made *nine-and-twenty* representations to the Chancellor of the Exchequer, stating the inconvenience which the Bank suffered, and the evil consequences which were likely to ensue from the large amount of their advances to Government.

the very opposite course that they ought to have pursued.\*

It is dreadful to contemplate the consequences to be apprehended, should another panic arise ; for the same causes, to which that of 1825 was owing, are in existence, and the same effects may result, with the additional evils that would arise from war, producing loans and foreign expenditure, when the exchange would turn against us. With only seven millions at their disposal, how can they answer their liabilities for thirty millions, payable on demand ? (see pages 18 and 19.) They cannot call in mortgages and advances on buildings, when their customers' drafts and their own Bank-notes are presented at their counters. They cannot dispose of their dead weight annuity, or Exchequer Bills, at a moment when they would become unsaleable from the very cause that would occasion a run on them for cash.

From what has been stated, it is presumed that sufficient proof has been adduced, that the proceedings of the Bank of England have been highly injurious to the nation and public

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\* See note in page 16, Report from the Lords.

in general ; and that its present state is most alarming to every man who has property in existence, and who does not voluntarily shut his eyes to its security and continuance.

There are, however, two classes of individuals, who are not only liable to be co-sufferers with all others of the community, in any general convulsion or final ruin to the Bank ; but who are foredoomed to immediate loss, and almost annihilation, if the Bank should be able to carry their wishes into execution. These are the London Bankers and the Country Bankers.

The Bank are the sole Government Agents ; they are the sole issuers of paper in London, and within a circle of sixty-five miles from London ; and they possess many other peculiar advantages, all technically denominated their *Exclusive Privileges*, which prevent any check by competition. Not satisfied with these exclusive privileges, they are endeavouring to appropriate to themselves the entire monopoly of the Banking business of both town and country.

With the London Banker they have entered into direct competition, by engaging to pay drafts for so small sums as 5*l.*, instead of

10*l.*, as hitherto ; by receiving checks, and clearing them eastward of Temple Bar, till three o'clock, instead of two o'clock, as formerly ; by receiving dividends under powers of attorney ; by taking charge of Exchequer Bills, and exchanging them for all persons keeping drawing accounts at the Bank.\* These facilities are of course intended to induce persons to keep their accounts with the Bank of England, instead of with private Bankers.

In the same light must be viewed the insinuations, after Fauntleroy's forgeries, that it would be safer to trust the Bank than any private individual. If Fauntleroy has existed as a private Banker, has not the Bank of England had an Astlett ? And, great as may have been the loss of the Bank by the forgeries of Fauntleroy, was it not much greater by Astlett's robbery ? Still they think it politic to make as much noise as possible, about Fauntleroy's forgeries, and to keep Astlett's fraud of making away with Exchequer bills for a succession of years as quiet as they can. These are

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\* The Branch Banks also receive dividends without any charge of commission and undertake buying and selling stock, on which they charge a quarter per cent.

These are measures unworthy a great public establishment.

But, besides these overt acts, the London Banker is materially affected by their over-issues; as, from the consequent superabundance of money, his discounts are much diminished in amount, or reduced in their rates, and the money lodged in his hands by his customers is, with great difficulty, employed at low interest, or remains entirely unproductive. He is thus either deprived of his true sources of income, or very inadequately remunerated for his time and the value of his property. He cannot, like the Bank, lock up his money in mortgages, in dead stock, or Exchequer Bills, encumbered with the stipulation that they shall not be sold when his customers want their money, nor can he discharge their demands by a fresh issue of more paper, as the Bank of England, by its exclusive privileges, is enabled to do.

The establishment of Branch Banks was, apparently, rather consented to, at the request of Government, than voluntarily formed for the Bank's own advantage. However speciously the former view may be held up to the public, there can be no doubt that the latter is the ob-

ject both desired and expected by the Bank. It is only necessary to refer to the celebrated Circular,\* which, though disavowed by the Bank as a body, is well known to have been written by a Member now holding a very high rank in their affairs: and to the manner in which those Branch Banks are conducted, with the professed intention of depreciating the Country Banks in the estimation of the people. It is urged that Country Bankers are liable to failure, and that the true and solid foundation for country circulation, are the notes of the Bank of England. Against this commendation of themselves, may not the Country Banker appeal, by reminding the Bank of England that they suspended payments for twenty-five years; that their notes were at from twenty to thirty per cent. discount; that they were very nearly in precisely the same situation in the end of 1825, and that now their resources are more locked up than those of perhaps, any existing Country Banker. The latter have felt greatly alarmed at the proceedings of the Bank, and have had several meetings, which appear more to have expressed the sense

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\* Vide Appendix, No. XIII.

of the dangerous attacks made and making on them than to have been productive of resolute actions to counteract them.\* As the Branch Banks will not receive the Country Banker's notes, unless he keeps an account and balance equal to their amount with the Branch Bank,† it is clear that his course ought to be to refuse to take the notes of the Bank Branches, as they refuse his; and, in place of keeping his reserve in notes of the Bank of England, he should hold nothing but gold.

Towards its own proprietors it does not appear that the proceedings of the Bank can be better justified than towards the public. In the first place, the Directors obstinately refuse to render to their proprietors any account of their affairs,‡ for which the only reasonable excuse

\* See Appendix, No. XIV.

† See Appendix, No. XV.

‡ The Directors merely keep up the shadow of their institutions by calling their Proprietors together each half-year. But the latter are not allowed to exercise any judgment, either as regards the rate of dividends, or in the choice of Directors; they settling the whole within themselves, and only calling upon the Proprietors to register, without knowing why, the previous resolutions of the Directors. New Directors are introduced only by degrees, and they are generally junior partners in mercantile houses, and are made to tread the beaten path of their predecessors and companions. A seat in the Direction of the Bank of England is, of course, a great desideratum, not from its affording any pecuniary advantage, but from the insight which it gives

that can be offered is, that their transactions are such as their Proprietors could not approve of, and as the public would be alarmed at. The chartered Banks of Scotland,\* and the Bank of France,† give regular accounts to their Proprietors, and there can be no doubt that the Directors of the Bank of England should do the same;‡ and even the public have a right to demand an insight into the affairs of a Company that has assumed the management of the pecuniary interests of the whole nation, and in which,

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into the affairs, and the early information which it furnishes of pecuniary difficulties, of other houses, besides the priority of intelligence of all financial intentions of government.

\* The Bank of Scotland was erected in 1695. Its original capital was 100,000*l.*, which it has since from time to time increased to 1,000,000*l.* sterling. Adhering to its original constitution, it exhibits its accounts once a year.

The Royal Bank of Scotland was erected in 1727. It has likewise increased its capital to 1,000,000*l.*, and it exhibits its account to the Proprietors four times every year. (*a*)

The Bank of Scotland, and the Royal Bank of Scotland, are chartered Banks. They are conducted on safe and liberal principles, and have afforded great accommodation to the agricultural, commercial, and manufacturing interests of that country. But they make no *permanent* advances. No Bank can long be a Bank if it does.—Allardyce, 1798, p. 131.

† See in Appendix, No. XXIII., a copy of the last account published by the Bank of France.

‡ See Appendix, No. XVI.

(*a*) Since increased to 1,500,000*l.* It appears that the circulation of the three chartered Banks is not at a maximum more than a million and a half, which is about half a million each.—(See Appendix, No. XXII.)

therefore, every one has an interest. The last account rendered by the Bank is dated 30th January, 1819,\* and this was forced from them by demand of Parliament. By this but little information is gained, owing to the manner in which the statement is rendered. In the absence of regular accounts, the statement given in No. XIX. of the Appendix, may be received as an attempt to form an estimate of the profits of the affairs of the Bank of England for 1828 :---It will be observed, that the interest on the advances to Government on Exchequer Bills, and on the Dead Weight Annuity, constitute more than half the profits, and, that, if these were abstracted, the dividend on their stock would be only about 4 per cent per annum. According to the present value of money, this is surely as much as can be expected; for why should the Bank pay eight per cent. dividend, when other funds, and the interest of money generally, yield not more than from a quarter to half so much? And yet, merely for the sake of keeping up a high dividend, or to give to their stock the appearance of its being a permanent 8 per cent. stock, do they

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\* See Appendix, No. XVII.

engage in transactions which injure all, and endanger their own existence. Besides the duty of not keeping up a high dividend beyond the profits of business conducted on proper Banking principles, their dividends ought not to be at any permanent rate whatever, but they ought to vary each year according to their profits of business, which should be divided annually amongst their partners, the holders of Bank-stock, as is done in all other commercial partnerships, and as it expressly stipulated in their charter and in their own bye-laws.\* Instead of this, it will have been seen, by the account laid before Parliament in 1819, that there was then an undivided surplus balance in hand, due to the Proprietors of Bank-stock of 5,232,320/.† This amount has no doubt been reduced by their continuing to pay a higher dividend, for some years subsequently, than their profits allowed ; as the dividend was not lowered from 10 per cent. to 8 per cent. until Lady-day 1823. An attempt has been made at an estimate of their profits for the year preceding ‡ (1822), which verifies this observation ; and about three millions may be considered the maximum of their existing

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\* See Appendix, No. XVI.      † See Appendix, No. XVII.

‡ See Appendix, No. XVIII.

surplus balance, or undivided profits, which is about 20*l.* 15*s.* per cent. on their capital, making the actual worth of 100*l.* Bank-stock at this time about 120*l.*

Will the conduct of the Directors be approved by those proprietors, who, from looking upon Bank-stock only as stock yielding 8 per cent. per annum interest, have been induced to invest their money into a fund, at the price of from 200 to 250 per cent., which is worth only about one-half of what they have given for it.\* Or will the proprietors approve of the Directors having locked up their money in Exchequer Bills and dead annuities? And, after these fatal errors had been committed, will they approve of their not having corrected them, when they might have done so in 1824 and 1827, by selling part of their Exchequer Bills, and by gradually disposing of their dead weight annuity, which, in 1824, would have sold at more than 25 per cent. profit, and would have yielded a gain of nearly three millions,† and would thus have made a bonus of about 20 per

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\* The lowest price of Bank Stock was 91, viz., on the 29th of January 1762.

† See Appendix, No. XXI.

cent. on their stock? In case of a war or a panic, it would be impossible to dispose of either the dead weight annuity, or of any considerable amount of Exchequer Bills.

From the foregoing observations the following facts, it is believed, will be deducible:—

I. That the connexion of the Bank of England with Government has led to the most injurious consequences to the country, by causing,

1. Advances completely at variance with sound principles of banking.
2. Locking up of resources.
3. Suspension of cash payments.
4. Over-issues of paper, and consequent gambling speculations.
5. Sudden contraction of circulating medium, and consequent failure, and general distress.
6. The whole system occasioning constant alternations of high and low prices, and general derangement of monetary transactions.

II. That the Bank have used their exclusive privileges and advantages solely for their own benefit, and to the injury of

1. The country in general, as precedes.

2. To the London Bankers.

3. To the Country Bankers.

III. That the Bank have acted unjustly towards their own members and partners in trade

1. By refusing to render to them accounts of their affairs, to which they are entitled.

2. By not dividing the profits according to their charter.

3. By appropriating the funds at their command, so as to endanger their very existence.

That their exclusive privileges will not be continued beyond the year 1833, has already been intimated to them by Government, in a letter from the First Lord of the Treasury and the Chancellor of the Exchequer to the Governor and Deputy Governor of the Bank of England, dated 13th January, 1826, of which the following is an extract :

“ With respect to the extension of the term  
 “ of their exclusive privileges in the metropolis  
 “ and its neighbourhood, it is obvious, from  
 “ what passed before, that Parliament will  
 “ never agree to it.

“ Such privileges are out of fashion; and  
 “ what expectation can the Bank, under present

“ circumstances, entertain that theirs will be re-  
 “ newed ? But there is no reason why the Bank  
 “ of England should look at this consequence  
 “ with dismay. They will remain a chartered  
 “ Corporation for carrying on the business of  
 “ Banking. In that character they will, we  
 “ trust, always continue to be the sole Bankers  
 “ of the State, and with these advantages, so  
 “ long as they conduct their affairs wisely and  
 “ prudently, they always must be the great  
 “ centre of Banking and circulation.

“ Theirs is the only establishment at which  
 “ the Dividends due to the Public Creditor can  
 “ by law be paid.” \*

The Bank of England, though she may thus  
 be shorn of some of her beams, will be deprived  
 of those only that have consumed the best  
 interests of herself and the country ; and the  
 rays that will be left will still shine on her as one  
 of the first Banking Establishments in the king-  
 dom.

It is highly important to keep in view that  
 the cessation of the exclusive privileges of the  
 the Bank, and the open field for fair competi-

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\* See Appendix, page 68.

tion which will then exist, should be accompanied with specific acts of legislature, obliging the Bank of England, and any rival public Banks that may subsequently become issuers of promissory notes, to publish in the *Gazette* every quarter statements of their affairs, particularizing the amount of their capitals, the quantity of bullion in their hands, the amount of notes in circulation, the amount of deposits, and a detail of their advances and investments.

Should the Bank, notwithstanding the pledge from Government to the country, make any renewed attempt for the extension of the term of their exclusive privileges, the voice of the nation would raise itself against such measure, were the wrongs that have been complained of in the preceding observations but generally known.

Mankind generally submit to sufferings without much complaint, when they are conceived to arise from causes too intricate to be traced, or too independent of human power to be controlled.

Our pecuniary derangements have, therefore, been allowed to arise and to continue, without due consideration whence they have originated, and without due efforts to arrest their progress.

The first steps towards the removal of evils are to ascertain their cause, and to make the knowledge of their discovery general.

To give publicity to the simple facts detailed in these pages, is therefore to render service to our country.

The rest to be desired must and will be effected by the justice, intelligence, and good sense of the nation.

## **APPENDIX.**

## Appendix, No. I.

An ACCOUNT, stating the respective periods at which the CHARTER of the BANK of ENGLAND has been renewed or extended, from the original Grant of the Charter down to the present time; and stating the Number of Years for which each such Renewal or Extension has been granted.

1694:—5 and 6 William 3d, c. 20. The Charter of the Bank of England was granted in pursuance and under the authority of this Act; redeemable upon the expiration of 12 months' Notice to be given after the 1st of August 1705, and on payment by the Public to the Bank of the demands in this Act specified.

1697:—By the 8 and 9th William 3d, c. 20; The said Charter was extended or renewed, until the expiration of 12 months' Notice to be given after the 1st of August 1710, and until payment by the Public to the Bank of the demands therein specified; being an extension or renewal for 5 Years.

1708:—By the 7th Ann, c. 7; The said Charter was extended or renewed, until the expiration of 12 months' Notice to be given after the 1st of August 1732, and until payment by the Public to the Bank of the demands therein specified; being an extension or renewal for 22 Years.

1713:—By the 12th Ann, stat. 1. c. 11; The said Charter was extended or renewed, until the expira-

tion of 12 months' Notice to be given after the 1st of August 1742, and until payment by the Public to the Bank of the demands therein specified; being an extension or renewal of the said Charter for 10 Years.

1742:—By the 15th Geo. 2d, c. 13; The said Charter was extended or renewed, until the expiration of 12 months' Notice to be given after the 1st of August 1764, and until payment by the Public to the Bank of the demands in this Act specified; being an extension or renewal of the said Charter for 22 Years.

1764:—By the 4th Geo. 3d, c. 25; The said Charter was extended or renewed, until the expiration of 12 months' Notice to be given after the 1st of August 1786, and until payment by the Public to the Bank of the demands therein specified; being an extension or renewal of the said Charter for 22 Years.

1781:—By the 21st Geo. 3d, c. 60; The said Charter was extended or renewed, until the expiration of 12 months' Notice to be given after the 1st of August 1812, and until payment by the Public to the Bank of the demands therein specified; being an extension or renewal of the said Charter for 26 Years.

1800:—By the 40th Geo. 3d, c. 28; The said Charter was extended or renewed, until the expiration of 12 months' Notice to be given after the 1st of August 1833, and until payment by the Public to the Bank of the demands therein mentioned; being an extension or renewal of the said Charter for 21 Years.

## Appendix, No. II.

**DIVIDENDS on BANK STOCK, from the Establishment of the Company to the present time.**

	Years.	Dividend.
	1694	8 per cent
	1697	9 „
	1708 } 1729 }	Varied from 9 to 5½ per cent
Lady-day	1730	6 „
Michaelmas	1730	5½ „
Lady-day	1731	6 „
Michaelmas	1731	5½ „
Lady-day	1732	6 „
Michaelmas	1732	5½ „
Lady-day	1747	5 „
Ditto	1753	4½ „
Michaelmas	1753	5 „
Lady-day	1754	4½ „
Michaelmas	1764	5 „
Ditto	1767	5½ „
Ditto	1781	6 „
Lady-Day	1788	7 „
Ditto	1807	10 „
Ditto	1823	8 „



## Appendix, No. IV.

An ACCOUNT of the PRICE of BANK STOCK,  
on the 1st of March, 1st of June, 1st of September,  
and 1st of November, in each Year, from 1807 to  
1819, or on the subsequent days on which there  
was a Price.

1807	2d Mar.	225 $\frac{5}{8}$	2d June	232	1st Sep.	233 $\frac{3}{8}$	3d Nov.	224 $\frac{1}{4}$
1808	1st —	231 $\frac{3}{4}$	1st —	238 $\frac{7}{8}$	1st —	239 $\frac{1}{4}$	2d —	236
1809	1st —	245 $\frac{3}{4}$	1st —	250	1st —	267 $\frac{1}{2}$	1st —	286
1810	2d —	274 $\frac{1}{4}$	1st —	262 $\frac{3}{8}$	3d —	256	3d —	252 $\frac{1}{4}$
1811	1st —	243 $\frac{1}{2}$	6th —	240 $\frac{1}{4}$	5th —	238 $\frac{1}{4}$	6th —	232 $\frac{3}{4}$
1812	2d —	230 $\frac{1}{4}$	1st —	223 $\frac{3}{4}$	1st —	225 $\frac{1}{2}$	3d —	214 $\frac{3}{4}$
1813	1st —	219 $\frac{3}{8}$	1st —	215	1st —	217 $\frac{1}{4}$	2d —	219 $\frac{3}{8}$
1814	1st —	261	2d —	248	1st —	253 $\frac{1}{2}$	2d —	247
1815	1st —	256 $\frac{3}{4}$	1st —	227 $\frac{1}{2}$	1st —	255 $\frac{1}{2}$	1st —	241
1816	1st —	251 $\frac{1}{4}$	5th —	223 $\frac{3}{4}$	3d —	216 $\frac{1}{4}$	2d —	216 $\frac{1}{4}$
1817	1st —	246 $\frac{1}{2}$	2d —	256 $\frac{1}{4}$	1st —	279 $\frac{3}{4}$	3d —	286 $\frac{1}{2}$
1818	3d —	287	1st —	279 $\frac{3}{4}$	1st —	268 $\frac{7}{8}$	2d —	273 $\frac{1}{2}$
1819	2d —	261 $\frac{1}{2}$	—	—	—	—	—	—

Lothbury,  
24th May, 1819.

TEMPLEMAN, COLE, & CHILD,  
Brokers.

In addition to the above, the following are the  
Prices of Bank Stock at various dates.

1792 .	216 $\frac{1}{2}$	1803, Mar.	190	1821 .	223	1825 .	230
1797 .	116 $\frac{1}{2}$	— May	145	1822 .	238	1826 .	200
1798 .	116 $\frac{1}{4}$	— July	136 $\frac{1}{2}$	1823 .	245	1827 .	203
1802 .	200	1820 .	222	1824 .	234 $\frac{1}{2}$	1828 .	208

## Appendix, No. V.

An ACCOUNT of ADVANCES by the Bank to Government on Land, Malt, Exchequer Bills, and other Securities, on the 25th of February in each of the twenty years preceding the 25th February 1797.

	Land and Malt.	Exchequer Bills.	Treasury Bills.	Loan to Go- vernment without Inte- rest.	TOTAL.
	£.	£.	£.	£.	£.
1777 .	4,912,000	2,500,000	. . .	. . .	7,412,000
1778 .	5,251,000	2,500,000	2,760	. . .	7,753,760
1779 .	5,682,000	2,769,000	15,664	. . .	8,466,664
1780 .	5,613,000	3,104,400	33,582	. . .	8,750,982
1781 .	5,517,000	262,230	49,541	. . .	8,188,841
1782 .	5,659,000	4,289,050	43,628	. . .	9,991,678
1783 .	4,962,000	4,662,200	4,871	. . .	9,629,071
1784 .	3,901,000	3,641,000	23,853	. . .	7,565,853
1785 .	3,102,000	3,900,000	28,200	. . .	7,030,200
1786 .	2,307,000	4,303,200	24,672	. . .	6,634,872
1787 .	2,809,000	4,334,200	1,696	. . .	7,144,896
1788 .	2,636,000	4,707,400	4,299	. . .	7,347,699
1789 .	2,928,000	5,000,200	20,235	. . .	7,948,435
1790 .	2,882,000	5,006,500	20,463	. . .	7,908,968
1791 .	3,334,000	6,247,100	22,878	. . .	9,603,978
1792 .	2,802,	6,633,600	26,999	376,739	9,839,338

## APPENDIX, No. VI.

The Amount of ADVANCES made by the Bank of England to Government, on Exchequer Bills and other Securities; including Exchequer Bills, Navy Bills, Victualling Bills, &c.

		Out of Sums issued for the Payment of Dividends.	Exchequer Bills Issued.	Exchequer Bills Purchased.	Navy and Victualling Bills.	Treasury Bills of Exchange.	American Debentures.	TOTAL.
		£.	£.	£.	£.	£.	£.	£.
1792	Feb. 25	376,739	9,420,600	....	468,056	26,999	675,912	10,968,30
	Aug. 25	376,739	9,891,600	...	701,077	21,150	693,918	11,684,48
1793	Feb. 26	376,739	8,609,600	....	844,004	69,685	629,800	10,529,85
	Aug. 26	376,739	9,430,000	585,570	844,004	57,232	557,843	11,851,38
1794	Feb. 26	376,739	7,685,900	342,190	1,202,046	718,349	491,643	10,816,80
	Aug. 26	376,739	5,484,000	....	1,124,059	1,334,015	418,993	8,737,80
1795	Feb. 26	376,739	8,593,000	....	1,665,263	2,127,961	355,050	13,118,01
	Aug. 26	376,739	9,413,000	....	1,038,263	2,352,317	279,825	13,460,14
1796	Feb. 26	376,739	10,795,000	1,717,200	689,898	651,002	204,600	12,717,20
	Aug. 26	376,739	7,089,000	....	318,594	823,706	129,375	10,454,61
1797	Feb. 25	376,739	8,222,800	....	15,899	1,512,274	54,150	10,181,80
	Aug. 26	376,739	5,916,800	700,000	14,545	96,438	40,612	7,145,10
1798	Feb. 26	376,739	8,176,000	1,228,000	....	....	27,075	9,807,81
	Aug. 25	376,739	7,128,000	1,926,700	....	....	13,537	9,444,97
1799	Feb. 26	376,739	8,670,000	1,036,000	....	....	....	10,082,70
	Aug. 26	376,739	7,140,000	1,469,700	....	....	....	8,986,40
1800	Feb. 25	376,739	8,772,500	4,052,400	....	....	....	13,201,60
	Aug. 26	376,739	9,681,500	2,838,000	....	....	....	12,899,20
1801	Feb. 26	376,739	10,663,500	4,249,200	....	....	....	15,289,40
	Aug. 26	376,739	8,618,000	2,953,800	....	....	....	11,948,50
1802	Feb. 26	376,739	9,928,000	3,979,500	....	....	....	14,284,20
	Aug. 26	376,739	8,483,000	4,692,600	....	....	....	13,552,30
1803	Feb. 26	376,739	7,224,000	1,995,200	....	....	....	9,595,90
	Aug. 26	376,739	7,137,000	6,121,500	....	....	....	13,635,20
1804	Feb. 25	376,739	7,588,000	6,750,500	....	....	....	14,715,20
	Aug. 25	376,739	7,414,000	7,513,700	....	....	....	15,304,40
1805	Feb. 26	376,739	9,403,000	7,423,000	....	....	....	17,202,70
	Aug. 26	376,739	8,416,000	2,952,600	....	....	....	11,745,30
1806	Feb. 25	376,736	8,226,000	6,060,600	....	....	....	14,663,30
	Aug. 26	376,739	7,759,000	6,309,600	....	....	....	14,445,30
1807	Feb. 26	376,739	8,933,000	4,453,800	....	....	....	13,763,50
	Aug. 26	376,739	7,453,000	5,835,600	....	....	....	13,665,30
1808	Feb. 26	376,739	6,122,000	7,866,200	....	....	....	14,364,90
	Aug. 26	876,739	10,008,000	4,792,800	....	....	....	15,677,50
1809	Feb. 25	876,739	8,089,000	6,434,400	....	....	....	15,400,10
	Aug. 26	876,739	9,493,000	5,639,600	....	....	....	16,009,30

(continued.)

(6.)—Amount of Advances made by the Bank to Government on  
Exchequer Bills, &c.—(Continued.)

	Out of Sums issued for the Payment of Dividends.	Exchequer Bills Issued.	Exchequer Bills Purchased.	Treasury Bills for the Service of Ireland.	Com- missioners of His Majesty's Woods, &c. New Street Account.	Advanced towards the purchase of an Annuity of £585,740, for 41 Years; per Act 4 G. IV. c. 22.	TOTAL.
	£.	£.	£.	£.	£.	£.	£
0 Feb. 26	876,739	7,860,000	6,281,100	....	....	....	15,017,839
Aug. 25	876,739	9,526,000	7,287,000	....	....	....	17,689,739
1 Feb. 26	876,739	7,542,000	9,649,700	....	....	....	18,068,439
Aug. 26	876,739	9,497,000	12,322,500	....	....	....	22,696,239
2 Feb. 26	876,739	9,066,000	12,609,000	....	....	....	22,551,739
Aug. 26	876,739	9,205,000	11,875,900	....	....	....	21,957,639
3 Feb. 26	876,739	10,417,000	14,600,200	....	....	....	25,893,939
Aug. 26	876,739	9,432,000	15,422,500	....	....	....	25,731,239
4 Feb. 26	876,739	10,500,000	13,107,300	....	....	....	24,484,039
Aug. 26	876,739	9,435,000	25,502,800	....	....	....	35,814,539
5 Feb. 25	876,739	9,401,000	17,755,000	....	....	....	28,032,739
Aug. 26	876,739	7,577,000	16,502,100	....	....	....	24,955,839
6 Feb. 26	876,739	4,500,000	14,488,300	....	....	....	19,865,039
Aug. 26	1,180,245	11,758,000	13,284,600	1,000,000	....	....	27,222,845
7 Feb. 26	974,070	9,000,000	13,319,500	3,080,000	....	....	26,373,570
Aug. 26	979,482	10,217,218	13,723,500	3,080,000	300,000	....	28,300,200
8 Feb. 26	1,033,523	9,000,000	14,952,000	2,750,000	300,000	....	28,035,523
Aug. 26	1,026,965	11,030,000	13,080,000	2,650,000	300,000	....	28,087,865
9 Feb. 26	1,098,820	6,598,000	13,080,900	2,650,000	300,000	....	23,727,720
Aug. 26	1,017,330	8,498,000	13,080,900	2,650,000	300,000	....	25,546,230
10 Feb. 26	1,074,304	6,591,000	12,939,900	2,100,000	300,000	....	23,005,204
Aug. 26	1,110,547	5,276,000	12,039,900	2,100,000	300,000	....	20,826,447
11 Feb. 26	1,066,720	3,435,000	11,839,900	....	300,000	....	16,641,620
Aug. 25	1,121,425	6,653,000	9,139,900	....	300,000	....	17,214,325
12 Feb. 26	1,150,300	3,598,000	9,139,900	....	300,000	....	14,188,200
Aug. 26	1,089,258	4,921,800	9,139,900	....	300,000	....	15,450,958
13 Feb. 26	1,151,754	3,106,800	10,411,000	....	300,000	....	14,969,554
Aug. 26	1,120,797	1,376,800	10,411,000	....	300,000	2,110,719	15,319,316
14 Feb. 26	1,101,581	696,800	10,411,000	....	300,000	3,091,399	15,600,780
Aug. 26	1,063,949	16,800	10,411,000	....	300,000	4,002,719	15,884,468
15 Feb. 26	1,047,942	4,185,758	9,411,000	....	....	5,034,588	19,679,288
Aug. 26	1,005,612	3,852,922	7,411,000	....	....	5,991,566	18,261,100
16 Feb. 25	1,001,897	2,487,488	8,327,000	....	....	6,907,861	18,724,246
Aug. 26	956,287	1,865,315	8,327,000	....	....	7,813,293	18,961,895
17 Feb. 26	1,064,440	3,014,906	6,882,000	....	....	8,707,615	19,668,961
Aug. 26	1,095,955	3,727,331	6,882,000	....	....	9,575,599	21,280,885
18 Feb. 26	1,085,908	3,328,628	6,132,000	....	....	10,416,859	20,963,395

The preceding Tables are taken from Report on Bank resuming Cash Payments,  
No. 232, 19 May 1819; and Parliamentary Papers, No. 215, 5 April 1826;  
No. 249, 9 April 1827; and No. 316, 12 May 1828.

## APPENDIX, No. VII.

An ACCOUNT of the Amount of BANK NOTES in Circulation on the under mentioned Days; distinguishing the Bank Post Bills, and the amount of Notes under Five Pounds, with the Aggregate of the whole.

		Notes of £5 and upwards.	Bank Post Bills.	Bank Notes under £5.	TOTAL.
		£.	£.	£.	£.
1792	February 25 .....	10,394,106	755,703	....	11,149,809
	August 25 .....	10,281,071	725,898	....	11,006,969
1793	February 26 .....	10,780,643	647,738	....	11,428,381
	August 26 .....	10,163,839	674,375	....	10,838,214
1794	February 26 .....	10,079,165	618,759	....	10,697,924
	August 26 .....	10,060,248	567,972	....	10,628,220
1795	February 26 .....	12,968,707	570,456	....	13,539,163
	August 26 .....	10,939,880	518,502	....	11,458,382
1796	February 26 .....	10,266,561	643,133	....	10,909,694
	August 26 .....	8,981,645	549,690	....	9,531,335
1797	February 25 .....	8,167,949	474,615	....	8,601,964
	August 26 .....	9,109,614	524,587	934,015	10,568,216
1798	February 26 .....	10,856,188	551,549	1,442,348	12,850,085
	August 25 .....	9,997,958	553,236	1,639,831	12,191,025
1799	February 26 .....	10,576,510	607,907	1,451,728	12,636,145
	August 26 .....	11,260,675	653,766	1,345,432	13,259,873
1800	February 25 .....	13,106,368	723,600	1,406,708	15,236,676
	August 26 .....	12,221,451	823,366	1,690,561	14,735,378
1801	February 26 .....	12,975,006	954,982	2,647,526	16,577,514
	August 26 .....	11,715,665	759,270	2,495,386	14,970,321
1802	February 26 .....	12,038,970	803,499	2,616,407	15,458,876
	August 26 .....	12,801,746	772,577	3,312,790	16,887,113
1803	February 26 .....	11,796,424	820,039	2,960,469	15,576,932
	August 26 .....	12,413,924	776,030	3,846,005	17,035,959
1804	February 25 .....	12,054,943	848,894	4,673,515	17,577,352
	August 25 .....	11,766,628	743,841	4,813,525	17,323,994
1805	February 26 .....	11,403,290	1,029,580	4,801,596	17,234,466
	August 26 .....	11,182,188	718,510	4,395,480	16,296,178
1806	February 25 .....	11,994,350	725,736	4,428,360	17,148,446
	August 26 .....	14,141,510	702,425	4,228,958	19,072,893
1807	February 26 .....	12,274,629	724,485	4,206,230	17,205,344
	August 26 .....	15,077,013	725,262	4,231,837	20,034,112
1808	February 26 .....	13,746,598	742,671	4,103,785	18,593,054
	August 26 .....	12,440,930	795,102	4,129,234	17,365,266
1809	February 25 .....	12,730,999	944,727	4,338,951	18,014,677
	August 26 .....	13,255,599	880,104	5,221,538	19,357,241

(continued.)

(7.)—An Account of the Amount of Bank Notes in  
Circulation, &c.—(*Continued.*)

	Notes of £5 and upwards.	Bank Post Bills.	Bank Notes under £5.	TOTAL.
	£.	£.	£.	£.
1810 February 26 .....	13,650,592	907,620	5,871,069	20,429,281
August 25 .....	16,078,390	1,145,832	7,221,953	24,446,175
1811 February 26 .....	15,110,688	1,133,419	7,140,726	23,384,833
August 26 .....	15,203,611	1,016,303	7,573,201	23,793,115
1812 February 26 .....	14,523,049	1,059,854	7,415,294	22,998,197
August 26 .....	14,873,705	987,880	7,621,325	23,482,910
1813 February 26 .....	14,567,267	1,034,882	7,705,322	23,307,471
August 26 .....	14,975,479	1,015,616	8,033,774	24,024,869
1814 February 26 .....	15,632,250	1,091,242	8,371,923	25,095,415
August 26 .....	18,066,180	1,246,479	9,667,217	28,979,876
1815 February 25 .....	16,394,359	1,184,459	9,094,552	26,673,370
August 26 .....	16,332,275	1,115,079	9,576,695	27,024,049
1816 February 26 .....	15,307,228	1,336,467	9,036,374	25,680,069
August 26 .....	16,686,087	1,286,429	9,103,338	27,075,854
1817 February 26 .....	17,538,656	1,376,416	8,143,506	27,058,578
August 26 .....	20,388,502	1,712,807	7,998,599	30,099,908
1818 February 26 .....	19,077,951	1,838,600	7,362,492	28,279,043
August 26 .....	17,465,628	1,627,427	7,509,782	26,602,837
1819 February 11 .....	16,774,216	1,728,319	7,445,102	25,947,637
1820 April* 8 .....				24,683,533
1821 February 24 .....				24,049,421
1822 February 24 .....				18,348,009
May 18 .....				16,984,938
1823 February 23 .....				17,839,486
1824 February 28 .....				19,736,986
1825 February 26 .....				21,060,144
1826 February 25 .....				24,955,049
1827 February 24 .....				21,588,068
1828 March 20 .....				20,500,000

\* N. B.—No Return for February 1820.

The preceding Table is formed from the Report on the Bank resuming Cash Payments, No. 282, 19 May, 1819; and Parliamentary Papers, No. 386, 2 June, 1825; and No. 344, 15 May, 1827. The last item is from the Report of the Governor of the Bank of England, at the General Court last March.

## Appendix, No. VIII.

An ACCOUNT of the Amount of all the PROMISSORY NOTES and POST BILLS of the Governor and Company of the Bank of England, in Circulation at the close of the business on Saturday in every Week for Seven Years, as per Accounts rendered by the Bank of England to the Commissioners of Stamps.

1820:					1820:				
April	8.	24,683,533	9	3	Sept.	23.	22,951,526	18	6
	15.	24,990,420	19	9		30.	22,944,463	11	9
	22.	25,182,963	9	6					
	29.	24,732,257	3	11	Oct.	7.	22,736,129	5	4
May	6.	24,317,747	3	1		14.	24,547,427	15	6
	13.	24,032,936	19	—		21.	24,013,768	4	5
	20.	23,840,981	8	1		28.	24,224,012	9	—
	27.	23,659,819	9	11	Nov.	4.	24,248,239	14	4
June	3.	22,655,207	19	8		11.	23,577,525	7	11
	10.	22,511,175	9	7		18.	23,302,950	4	10
	17.	22,467,408	12	11		25.	23,222,599	7	—
	24.	23,026,436	3	7	Dec.	2.	22,771,200	4	8
July	1.	23,417,929	13	1		9.	22,102,220	—	4
	8.	26,280,156	16	3		16.	22,356,306	4	8
	15.	26,384,894	9	6		23.	22,647,165	6	1
	22.	25,588,137	7	10		30.	22,865,078	18	11
	29.	25,462,755	—	4					
August	5.	25,066,749	13	11	1821:				
	12.	24,723,667	9	2	Jan.	6.	21,571,714	9	3
	19.	24,282,350	11	8		13.	25,722,891	19	1
	26.	24,453,388	4	8		20.	25,904,357	4	1
Sept.	2.	24,437,125	1	3		27.	25,222,425	8	9
	9.	23,411,387	6	2	Feb.	3.	24,914,285	15	4
	16.	23,098,623	13	—		10.	24,523,184	3	11
						17.	24,231,585	12	1
						24.	24,049,421	1	5

1821:					1822:				
March	3.	23,702,175	19	7	Jan.	5.	16,950,147	5	4
	10.	23,576,084	8	5		12.	20,764,267	16	6
	17.	23,329,580	—	—		19.	20,211,459	19	—
	24.	23,447,112	1	6		26.	19,673,545	2	3
	31.	23,847,239	8	4					
April	7.	23,671,274	8	9	Feb.	2.	19,211,844	13	10
	14.	25,649,340	10	4		9.	19,034,229	2	4
	21.	25,101,030	11	10		16.	18,679,242	14	10
	28.	24,532,258	1	1		23.	18,348,009	2	7
May	5.	24,346,072	18	10	March	2.	18,387,046	10	9
	12.	24,053,418	11	3		9.	17,803,676	2	1
	19.	23,370,431	8	7		16.	17,709,605	17	1
	26.	22,678,265	—	9		23.	17,467,140	11	7
						30.	17,388,480	12	5
June	2.	21,512,016	4	7	April	6.	17,149,300	15	5
	9.	21,099,138	5	6		13.	19,025,399	18	2
	16.	20,667,229	1	3		20.	18,583,120	6	11
	23.	20,330,418	16	1		27.	18,105,998	1	10
	30.	20,537,088	8	6					
July	7.	19,304,718	16	6	May	4.	17,798,294	10	9
	14.	23,361,691	8	2		11.	17,461,160	4	—
	21.	22,948,802	15	5		18.	16,984,938	2	9
	28.	22,138,808	5	10		25.	17,036,996	9	10
August	4	21,770,500	19	10	June	1.	16,505,295	16	—
	11.	21,453,634	14	6		8.	16,785,480	—	6
	18.	21,028,527	6	4		15.	16,304,837	4	4
	25.	20,327,753	7	10		22.	16,404,929	19	7
						29.	17,005,527	5	6
Sept.	1.	20,172,215	9	10	July	6.	16,834,793	10	10
	8.	19,722,284	14	2		13.	29,896,903	17	2
	15.	19,449,893	11	8		20.	20,579,129	19	11
	22.	18,889,453	12	1		27.	19,748,395	7	4
	29.	19,173,682	10	—					
Oct.	6.	18,742,234	17	7	August	3.	19,287,789	10	10
	13.	19,845,071	16	1		10.	18,833,457	11	11
	20.	19,802,450	4	3		17.	18,503,575	16	10
	27.	19,452,332	16	—		24.	18,498,856	4	3
						31.	17,464,790	7	4
Nov.	3.	19,259,894	—	5	Sept.	7.	17,149,134	7	8
	10.	19,006,236	9	4		14.	17,540,954	15	9
	17.	19,008,033	17	1		21.	16,796,584	16	8
	24.	18,175,260	1	11		28.	16,798,699	5	9
Dec.	1.	17,635,927	5	10	Oct.	5.	17,231,846	9	7
	8.	17,486,083	1	8		12.	16,693,870	6	6
	15.	17,474,501	13	5		19.	18,387,096	—	10
	22.	17,375,661	11	—		26.	17,991,058	7	4
	29.	17,443,650	3	11	Nov.	2.	17,753,077	3	11
						9.	17,456,990	7	11

1822:					1823:				
Nov.	16.	17,382,866	10	7	Sept.	13.	18,409,592	12	—
	23.	17,218,659	10	3		20.	17,820,420	6	—
	30.	17,457,243	18			27.	17,824,286	8	7
Dec.	7.	16,370,602	4	11	Oct.	4.	17,879,269	16	5
	14.	16,088,529	6	—		11.	17,541,489	18	11
	21.	16,642,042	7	4		18.	19,919,413	17	8
	28.	19,483,696	10	1		25.	19,386,184	4	10
1823:					1824:				
Jan.	4.	16,379,530	14	3	Jan.	3.	17,230,799	2	3
	11.	20,157,481	15	8		10.	20,577,959	3	5
	18.	19,969,577	19	11		17.	20,695,453	4	—
	25.	19,879,316	12	10		24.	20,218,040	17	1
Feb.	1.	18,652,607	12	2		31.	20,280,821	7	5
	8.	18,404,360	19	7	Feb.	7.	20,309,188	3	3
	15.	17,802,629	1	7		14.	20,357,168	12	—
	22.	17,839,486	7	1		21.	19,866,854	6	2
March	1.	18,106,362	8	10		28.	19,736,986	11	10
	8.	17,224,579	2	—	March	6.	19,301,037	15	1
	15.	17,121,785	18	5		13.	18,937,154	18	6
	22.	17,070,015	7	4		20.	18,979,601	6	6
	29.	17,174,946	1	2		27.	19,156,933	15	6
April	5.	16,845,840	11	3	Feb.	7.	20,309,188	3	3
	12.	19,282,021	16	—		14.	20,357,168	12	—
	19.	19,198,274	9	7		21.	19,866,854	6	2
	26.	18,943,557	7	1		28.	19,736,986	11	10
May	3.	18,994,049	14	10	March	6.	19,301,037	15	1
	10.	18,585,349	5	9		13.	18,937,154	18	6
	17.	18,464,533	7	1		20.	18,979,601	6	6
	24.	17,971,839	15	—		27.	19,156,933	15	6
	31.	17,425,713	5	3	April	3.	19,313,989	4	2
June	7.	17,602,986	7	6		10.	21,237,348	—	5
	14.	17,059,266	16	6		17.	21,392,852	7	6
	21.	16,703,737	9	10		24.	20,645,606	9	3
	28.	16,835,669	2	11	May	1.	20,514,142	16	11
July	5.	16,975,891	—	7		8.	20,289,684	14	2
	12.	20,785,758	11	9		15.	19,961,919	7	10
	19.	20,680,962	10	2		22.	19,719,356	12	6
	26.	20,359,367	6	9		29.	19,149,378	—	6
August	2.	20,221,912	19	6	June	5.	19,396,865	4	6
	9.	19,966,005	9	9		12.	18,937,401	3	7
	16.	19,716,775	12	8		19.	19,071,462	7	5
	23.	19,582,348	9	4		26.	19,158,504	13	6
	30.	19,231,240	6	9	July	3.	18,804,994	8	7
Sept.	6.	18,884,217	3	5					

1824 :				1825 :			
July	10.	22,220,754	4 —	May	7.	20,500,259	4 7
	17.	23,004,343	11 4		14.	20,046,091	5 11
	24.	22,276,232	6 7		21.	19,723,489	6 10
	31.	21,998,640	13 9		28.	19,653,011	11 —
August	7.	21,312,124	8 9	June	4.	19,298,201	18 6
	14.	20,960,542	18 5		11.	18,639,891	17 4
	21.	20,535,550	6 2		18.	18,327,735	14 9
	28.	20,293,326	— 11		25.	18,372,368	16 2
Sept.	4.	19,737,823	13 10	July	2.	19,038,339	9 4
	11.	19,208,522	11 11		9.	21,714,838	8 6
	18.	19,049,486	8 10		16.	21,763,417	15 3
	25.	18,715,299	13 6		23.	21,198,817	11 10
Oct.	2.	19,065,322	2 8		30.	20,794,729	17 11
	9.	19,135,351	7 10	August	6.	20,157,200	— 2
	16.	21,461,807	14 8		13.	19,738,769	18 1
	23.	21,072,383	8 11		20.	19,589,055	16 10
	30.	21,042,025	14 4		27.	19,290,570	6 4
Nov.	6.	21,413,902	7 4	Sept.	3.	19,028,070	3 11
	13.	21,411,425	13 5		10.	18,517,201	16 2
	20.	20,817,379	— 2		17.	18,252,170	12 1
	27.	20,850,260	1 9		24.	18,009,781	5 7
Dec.	4.	20,352,087	17 11	Oct.	1.	18,506,561	13 9
	11.	19,500,444	13 6		8.	18,173,445	3 7
	18.	18,915,157	14 5		15.	19,686,586	2 5
	25.	19,447,396	16 9		22.	19,027,460	1 4
					29.	18,692,227	14 1
1825							
Jan.	1.	20,756,948	16 3	Nov.	5.	18,407,423	1 —
	8.	21,790,472	2 4		12.	18,031,871	12 6
	15.	22,337,331	15 11		19.	17,594,301	5 10
	22.	22,328,627	5 11		26.	17,464,890	— 6
	29.	21,960,334	5 11	Dec.	3.	17,477,294	2 6
Feb.	5.	21,931,937	3 4		10.	18,037,966	4 8
	12.	21,307,879	1 1		17.	23,942,827	2 —
	19.	21,234,763	13 7		24.	25,611,805	15 10
	26.	21,060,144	19 4		31.	25,709,525	13 9
March	5.	20,342,416	11 4	1826:			
	12.	19,875,857	18 8	Jan.	7.	24,120,415	12 11
	19.	19,560,432	14 2		14.	26,104,904	— 9
	26.	19,611,349	— 2		21.	25,013,790	17 6
April	2.	20,328,979	10 4		28.	24,255,924	12 11
	9.	20,687,516	12 5	Feb.	4.	23,673,737	6 1
	16.	21,060,103	5 —		11.	23,450,150	13 4
	23.	20,717,044	3 8		18.	24,466,510	5 5
	30.	20,536,632	13 9		25.	24,955,049	17 2

1826:					1826:				
March	4.	25,115,173	9	2	Sept.	23.	20,264,363	11	10
	11.	24,375,453	10	2		30.	20,408,194	2	11
	18.	24,164,274	5	1	Oct.	7.	19,584,501	9	4
	25.	24,060,900	18	7		14.	20,654,312	12	4
April	1.	24,161,171	6	6		21.	21,050,060	3	3
	8.	24,947,795	12	7		28.	20,875,942	13	9
	15.	25,562,054	15	4	Nov.	4.	20,834,837	14	2
	22.	25,569,373	18	8		11.	20,527,489	18	3
	29.	24,482,967	4	4		18.	20,416,249	12	11
May	6	23,653,999	16	8		25.	19,906,856	17	—
	13.	22,976,214	12	6	Dec.	2.	19,301,328	5	6
	20.	22,293,813	10	10		9.	19,031,616	10	7
	27.	21,909,490	5	3		16.	19,049,077	15	8
June	3.	21,355,404	11	5		23.	19,084,901	16	9
	10.	20,878,407	19	4		30.	19,049,737	19	10
	17.	20,852,693	5	1	1827:				
	24.	21,045,574	17	5	Jan.	6.	18,303,476	6	9
July	1.	20,787,013	4	4		13.	21,617,840	18	2
	8.	22,630,822	14	9		20.	22,506,937	16	8
	15.	23,564,518	6	2		27.	22,229,740	1	5
	22.	22,871,630	4	11	Feb.	3.	22,065,896	—	—
	29.	22,852,219	10	10		10.	21,881,791	10	1
Aug.	5.	22,653,453	17	10		17.	21,712,081	12	7
	12.	21,983,283	10	9		24.	21,588,086	7	—
	19.	21,660,960	16	—	March	3.	21,239,269	15	11
	26.	21,388,028	15	10		10.	21,113,818	1	7
Sept.	2.	21,421,297	8	1		17.	20,807,411	3	6
	9.	21,132,436	11	7		24.	20,736,507	9	3
	16.	20,653,133	13	3		31.	20,710,683	8	4

**SUPPLEMENT TO NO. VIII: OF THE APPENDIX,  
(Continued from Page 52.)**

*[The following Parliamentary Paper has been issued since the preceding part went to Press.]*

**An ACCOUNT of all PROMISSORY NOTES  
and POST BILLS of the Governor and Company  
of the Bank of England, in Circulation at the  
close of the business on Saturday in every  
Week for the Year preceding 6th April, 1828,  
as returned to the Stamp-office, pursuant to 55  
Geo. III. c. 184.**

1827 :				1827 :			
		£.	s. d.			£.	s. d.
April	7.	20,629,512	9 —	Oct.	13.	21,669,437	16 4
	14.	22,919,347	4 7		20.	21,990,255	3 11
	21.	23,027,102	8 4		27.	22,048,087	8 7
	28.	22,888,307	14 7	Nov.	3.	21,754,081	2 9
May	5.	22,653,568	8 3		10.	21,452,150	19 1
	12.	22,400,556	9 10		17.	21,433,397	2 9
	19.	21,988,943	16 5		24.	20,905,085	17 9
	26.	21,857,013	6 2	Dec.	1.	20,573,285	2 8
June	2.	21,372,250	10 4		8.	19,629,896	5 6
	9.	20,562,477	15 4		15.	19,311,365	4 11
	16.	20,503,058	18 9		22.	19,225,271	15 7
	23.	20,001,605	5 2		29.	19,181,217	1 10
	30.	20,161,492	8 3	1828 :			
July	7.	20,083,390	4 8	Jan.	5.	19,091,051	18 3
	14.	23,575,202	5 3		12.	22,084,979	1 5
	21.	23,845,915	17 2		19.	22,554,770	3 8
	28.	23,833,914	9 2		26.	22,931,609	11 5
August	4.	23,774,884	7 10	Feb.	2.	22,900,167	15 9
	11.	23,494,367	9 6		9.	22,697,334	2 11
	18.	22,796,853	11 1		16.	22,367,146	7 1
	25.	22,007,072	14 4		23.	22,046,687	18 5
Sept.	1.	22,348,220	15 2	March	1.	21,693,406	8 9
	8.	21,929,649	3 3		8.	20,656,860	7 9
	15.	21,295,260	2 1		15.	20,471,423	18 9
	22.	21,082,465	19 11		22.	20,238,389	11 1
	29.	21,191,865	9 8		29.	20,267,283	16 7
Oct.	6.	20,737,816	4 3	April	5.	19,977,133	9 3
Acc. and Compt. General Office Stamps. 20th May, 1828.				THOMAS LIGHTFOOT, A. & C. G.			



## Appendix, No. IX.

ACCOUNT of BANK NOTES and BANK POST BILLS in Circulation, and of Advances by the Bank to Government, on the 26th February (or nearest date) each Year, from 1787 to 1828, —formed from the preceding Tables.

Year.	Notes in Circulation.	Advances.
	£.	£.
1787	8,688,570	7,144,896
1788	9,370,350	7,347,699
1789	9,905,240	7,948,435
1790	10,217,360	7,908,968
1791	11,699,140	9,603,978
1792	11,149,809	10,968,306
1793	11,428,381	10,529,828
1794	10,697,924	10,816,867
1795	13,539,163	13,118,013
1796	10,909,694	12,717,239
1797	8,601,964	10,181,862
1798	12,850,085	9,807,814
1799	12,636,145	10,082,739
1800	15,236,676	13,201,639
1801	16,577,514	15,289,439
1802	15,458,876	14,284,239
1803	15,576,932	9,595,939
1804	17,577,352	14,715,239
1805	17,234,466	17,202,739
1806	17,148,446	14,663,339
1807	17,205,344	13,763,539
1808	18,593,054	14,364,939
1809	18,014,677	15,400,139
1810	20,429,281	15,017,839
1811	23,384,833	18,068,439
1812	22,998,197	22,651,739
1813	23,307,471	25,893,939
1814	25,095,415	24,484,039
1815	26,673,370	28,032,739
1816	25,680,069	19,865,039
1817	27,058,578	26,373,570
1818	28,279,043	28,035,523
1819	25,947,637	23,727,720
1820	24,683,533	23,005,204
1821	24,049,421	16,641,620
1822	18,348,009	14,188,200
1823	17,839,486	14,969,554
1824	19,736,986	15,600,780
1825	21,060,144	19,679,288
1826	24,955,049	18,724,246
1827	21,588,068	19,668,961
1828	20,500,000	20,963,395

## Appendix, No. X.

**REPRESENTATION**, agreed upon the 20th day of May, 1819, by the Directors of the Bank of England, and laid before the Chancellor of the Exchequer. Ordered, by the House of Commons, to be Printed, 21 May, 1819.

At a Court of Directors at the Bank, on Thursday, 20th May, 1819.

**THE DIRECTORS** of the Bank of England, having taken into their most serious consideration the Reports of the Secret Committees of the two Houses of Parliament, appointed to inquire into the state of the Bank of England, with reference to the expediency of the Resumption of Cash Payments at the period now fixed,—have thought it their duty to lay before **HIS MAJESTY'S** Ministers, as early as possible, their sentiments, with regard to the measures suggested by these Committees for the approbation of Parliament.

In the first place it appears, that, in the view of the Committees, the measure of the Bank recommencing Cash Payments on the 5th of July next, the time prescribed by the existing law, “is utterly impracticable, and would be entirely inefficient, “if not ruinous.”

Secondly, it appears, that the two Committees have come to their conclusion at a period, when the outstanding Notes of the Bank of England do not much exceed £25,000,000; when the price of Gold is about £4 1s. per ounce; and when there

is great distress, from the stagnation of Commerce, and the fall of prices of imported articles.

It must be obvious to His Majesty's Ministers, that, as long as such a state of things shall last, or one in any degree similar, without either considerable improvement on one side, or growing worse on the other, the Bank, acting as it does at present, and keeping its Issues nearly at the present level, could not venture to return to Cash Payments, with any probability of benefit to the Public, or safety to the Establishment.

The two Committees of Parliament, apparently actuated by this consideration, have advised that the Bank shall not open payments in Coin for a period of four years, but shall be obliged, from the 1st of May, 1821, to discharge their Notes in standard Gold Bullion, at mint price, when demanded in sums not amounting to less than thirty ounces. And, as it appears to the Committees expedient, that this return to payments at mint price should be made gradually, they propose, that on the first day of February next, the Bank should pay their Notes in Bullion, if demanded in sums not less than sixty ounces, at the rate of £4 1s. per ounce, and from the 1st of October 1820 to the 1st of May following, at £3 19s. 6d. an ounce.

If the Directors of the Bank have a true comprehension of the views of the Committees in submitting this scheme to Parliament, they are obliged to infer, that the object of the Committees is to secure, at every hazard, and under every possible variation of circumstances, the return of payments in Gold at mint price for Bank Notes, at the expiration of two years ; and that this measure is so to be managed, that the mint price denominations shall ever afterwards be preserved, leaving the

market or exchange price of Gold to be controlled by the Bank, solely by the amount of their issues of Notes.

It further appears to the Directors, with regard to the final execution of this plan, and the payment of Bank Notes in Gold at mint price, that discretionary power is to be taken away from the Bank ; and that it is merely to regulate its Issues, and make purchases of Gold, so as to be enabled to answer all possible demands, whenever its Treasury shall be again open for the payment of its Notes.

Under these impressions, the Directors of the Bank think it right to observe to His Majesty's Ministers, that being engaged to pay on demand their Notes in statutable Coin, at the mint price of £3 17s. 10½d. an ounce, they ought to be the last persons who should object to any measure calculated to effect that end ; but as it is incumbent on them to consider the effect of any measure to be adopted, as operating upon the general issue of their Notes, by which all the private Banks are regulated, and of which the whole currency, exclusive of the Notes of private Bankers, is composed, they feel themselves obliged, by the new situation in which they have been placed by the Restriction Act of 1797, to bear in mind, not less their duties to the Establishment over which they preside, than their duties to the Community at large, whose interests, in a pecuniary and commercial relation, have in a great degree been confided to their discretion.

The Directors being thus obliged to extend their views, and embrace the interests of the whole Community, in their consideration of this measure, cannot but feel a repugnance, however involun-

tary, to pledge themselves in approbation of a system, which, in their opinion, in all its great tendencies and operations, concerns the country in general more than the immediate interests of the Bank alone.

It is not certainly a part of the regular duty of the Bank, under its original institution, to enter into general views of policy, by which this great empire is to be governed, in all its commercial and pecuniary transactions, which exclusively belong to the Administration, to Parliament, and to the Community at large; nor is it the province of the Bank to expound the principles by which these views ought to be regulated. Its peculiar and appropriate duty is the management of the concerns of the banking establishment, as connected with the payment of the Interest of the National Debt, the lodgments consigned to its care, and the ordinary advances it has been accustomed to make to Government.

But when the Directors are now to be called upon, in the new situation in which they are placed by the Restriction Act, to procure a Fund for supporting the whole National Currency, either in Bullion or in Coin, and when it is proposed that they should effect this measure within a given period, by regulating the market price of Gold by a limitation of the amount of the Issue of Bank Notes, with whatever distress such limitation may be attended to individuals of the community at large; they feel it their bounden and imperious duty to state their sentiments thus explicitly, in the first instance to His Majesty's Ministers, on this subject, that a tacit consent and concurrence at this juncture may not, at some future period, be construed into a previous implied sanction, on

their part, of a system, which they cannot but consider fraught with very great uncertainty and risk.

It is impossible for them to decide before hand what shall be the course of events for the next two, much less for the next four years ; they have no right to hazard a flattering conjecture, for which they have not real grounds, in which they may be disappointed, and for which they may be considered responsible. They cannot venture to advise an unrelenting continuance of pecuniary pressures upon the commercial world, of which it is impossible for them either to foresee or estimate the consequences.

The Directors have already submitted to the House of Lords, the expediency of the Bank paying its Notes in Bullion at the market price of the day, with a view of seeing how far favourable commercial balances may operate in restoring the former order of things, of which they might take advantage. And with a similar view they have proposed, that Government should repay the Bank a considerable part of the sums that have been advanced upon Exchequer bills.

These two measures would allow time for a correct judgment to be formed upon the state of the Bullion market, and upon the real result of those changes which the late war may have produced, in all its consequences, of increased public debt, increased taxes, increased prices, and altered relations, as to interest, capital, and commercial dealings with the continent: and how far the alterations thus produced are temporary or permanent ; and to what extent, and in what degree, they operate.

It was the design of the Directors, in pursuance of the before-mentioned two measures, to take

advantage of every circumstance which could enable the Bank to extend its purchases of bullion, as far as a legitimate consideration of the ordinary wants of the nation, for a sufficient currency, could possibly warrant. Beyond this point, they do not consider themselves justified in going, upon any opinion, conjecture, or speculation, merely their own; and when a system is recommended, which seems to take away from the Bank any thing like a discretionary consideration of the necessities and distresses of the commercial world; if the Directors withhold their previous consent, it is not from a want of deference to His Majesty's Government, or to the opinions of the Committees of the two Houses of Parliament, but solely from a serious feeling, that they have no right whatever to invest themselves, of their own accord, with the responsibility of countenancing a measure, in which the whole community is so deeply involved; and possibly to compromise the universal interests of the empire, in all the relations of Agriculture, Manufacture, Commerce, and Revenue, by a seeming acquiescence, or declared approbation, on the part of the Directors of the Bank of England.

The consideration of these great questions, and of the degree in which all these leading and commanding interests may be affected by the measure proposed, rests with the Legislature; and it is for them, after solemn deliberation, and not for the Bank, to determine and decide upon the course to be adopted.

Whatever reflections may have from time to time been cast upon the Bank, whatever invidious representations of its conduct may have been made, the cautious conduct it adopted, in so measuring the amount of currency, as to make it adequate to

the wants both of the nation and of the Government, at the same time keeping it within reasonable bounds, when compared with what existed before the war, as is shown in the Lords' Reports, pages 10, 11, 12 and 13, the recent effort to return to a system of Cash Payments, which commenced with the fairest prospects (but which was afterwards frustrated by events that could not be foreseen nor controlled by the Bank); are of themselves a sufficient refutation of all the obloquy which has been so undeservedly heaped upon the establishment.

The Directors of the Bank of England, in submitting these considerations to His Majesty's Ministers, request that they may be allowed to assure them, that it is always their anxious desire, as far as depends upon them, to aid, by every consistent means, the measures of the Legislature, for furthering the prosperity of the empire.

ROBERT BEST, Sec.

## Appendix, No. XI.

**BANK OF ENGLAND.—RETURN** to an Order of the Honourable House of Commons, dated the 3d February, 1826;—for Copies of Communications between the First Lord of the Treasury, and the Chancellor of the Exchequer, and the Governor and Deputy Governor of the Bank of England; relating to an Alteration in the exclusive Privileges enjoyed by the Bank of England.—Ordered, by the House of Commons, to be Printed, 6th February, 1826.

Fife House, Jan. 13, 1826.

**GENTLEMEN,**—We have the honour of transmitting to you herewith a paper, containing our views upon the present state of the Banking System of this Country, with our suggestions thereupon; which we request you will lay before the Court of Directors of the Bank of England, for their consideration.—We have the honour to be, Gentlemen, your most obedient humble servants,

(Signed) **LIVERPOOL.**

**FREDERICK JOHN ROBINSON.**

The Governor and Deputy Governor  
of the Bank of England.

THE panic in the money market having subsided, and the pecuniary transactions of the country having reverted to their accustomed course, it becomes important to lose no time in considering

whether any measures can be adopted to prevent the recurrence in future of such evils as we have recently experienced.

However much the recent distress may have been aggravated, in the judgment of some, by incidental circumstances and particular measures, there can be no doubt that the principal source of it is to be found in the rash spirit of speculation, which has pervaded the country for some time, supported, fostered, and encouraged by the Country Banks.

The remedy, therefore, for this evil, in future, must be found in an improvement in the circulation of country paper; and the first measure which has suggested itself to most of those who have considered the subject, is a recurrence to a gold circulation throughout the country, as well as in the metropolis and its neighbourhood, by a repeal of the Act which permits Country Banks to issue one and two pound notes until the year 1833; and by the immediate enactment of a prohibition of any such issues, at the expiration of two or three years from the present period.

It appears to us to be quite clear that such a measure would be productive of much good; that it would operate as some check upon the spirit of speculation, and upon the issues of Country Banks; and, whilst, on the one hand, it would diminish the pressure upon the Bank and the metropolis, incident to an unfavourable state of the exchanges, by spreading it over a wider surface; on the other hand, it would cause such pressure to be earlier felt, and thereby insure an earlier and more general adoption of the precautionary measures necessary for counteracting the inconveniences incident to an export of the precious metals. But though a recurrence to a gold circulation in the country, for

the reasons already stated, might be productive of good, it would by no means go to the root of the evil.

We have abundant proof of the truth of this position, in the events which took place in the spring of 1793, when a convulsion occurred in the money transactions and circulation of the country, more extensive than that which we have recently experienced. At that period, nearly a hundred Country Banks were obliged to stop payment, and Parliament was induced to grant an issue of Exchequer bills to relieve the distress. Yet, in the year 1793, there were no one or two pound notes in circulation in England, either by Country Banks or by the Bank of England.

We have a further proof of the truth of what has been advanced, in the experience of Scotland, which has escaped all the convulsions which have occurred in the money market of England for the last thirty-five years, though Scotland, during the whole of that time, has had a circulation of one pound notes; and the small pecuniary transactions of that part of the United Kingdom, have been carried on exclusively by the means of such notes.

The issue of small notes, though it be an aggravation, cannot therefore be the sole, or even the main cause of the evil in England.

The failures which have occurred in England, unaccompanied as they have been by the same occurrences in Scotland, tend to prove, that there must have been an unsolid and delusive system of Banking in one part of Great Britain, and a solid and substantial one in the other.

It would be entirely at variance with our deliberate opinion, not to do full justice to the Bank of England, as the great centre of circulation and commercial credit.

We believe that much of the prosperity of the country for the last century, is to be ascribed to the general wisdom, justice, and fairness of the dealings of the Bank ; and we further think, that during a great part of that time, it may have been, *in itself* and *by itself*, fully equal to all the important duties and operations confided to it. But the progress of the country during the last thirty or forty years, in every branch of industry, in agriculture, manufactures, commerce, and navigation, has been so rapid and extensive, as to make it no reflection upon the Bank of England to say, that *the instrument*, which, *by itself*, was fully adequate to former transactions, is no longer sufficient without new aids, to meet the demands of the present times.

We have, to a considerable degree, the proof of this position, in the very establishment of so many Country Banks.

Within the memory of many living, and even of some of those now engaged in public affairs, there were no Country Banks, except in a few of the great commercial towns.

The money transactions of the country were carried on by supplies of coin and Bank-notes from London.

The extent of the business of the country, and the improvement made from to time in the mode of conducting our increased commercial transactions, founded on pecuniary credit, rendered such a system no longer adequate, and Country Banks must have arisen, as in fact they did arise, from the increased wealth and *new wants* of the country.

The matter of regret is not, that Country Banks have been suffered to exist, but that they have been suffered so long to exist without control or limitation, or without the adoption of provisions

calculated to counteract the evils resulting from their improvidence or excess.

It would be vain to suppose that we could now, by any act of the Legislature, extinguish the existing Country Banks, even if it were desirable; but it may be within our power, gradually at least, to establish a sound system of Banking throughout the country; and if such a system can be formed, there can be little doubt that it would ultimately extinguish and absorb all that is objectionable and dangerous in the present Banking establishments.

There appear to be two modes of attaining this object:

First,—That the Bank of England should establish Branches of its own body in different parts of the country:

Secondly,—That the Bank of England should give up its exclusive privilege as to the number of partners engaged in Banking, except within a certain distance from the metropolis.

It has always appeared to us, that it would have been very desirable that the Bank should have tried the first of these plans; that of establishing Branch Banks, upon a limited scale. But we are not insensible to the difficulties which would have attended such an experiment, and we are quite satisfied that it would be impossible for the Bank, under present circumstances, to carry into execution such a system, to the extent necessary for providing for the wants of the country.

There remains, therefore, only the other plan, the surrender by the Bank of their exclusive privilege, as to the number of partners, beyond a certain distance from the metropolis.

The effect of such a measure would be the gra-

dual establishment of extensive and respectable Banks in different parts of the country ; some perhaps with charters from the Crown, under certain qualifications, and some without.

Here we have again the advantage of the experience of Scotland.

In England there are said to be between eight and nine hundred Country Banks ; and it is no exaggeration to suppose, that a great proportion of them have not been conducted with a due attention to those precautions which are necessary for the safety of all Banking establishments, even where their property is most ample. When such Banks stop, their creditors may ultimately be paid the whole of their demands, but the delay and shock to credit may, in the mean time, involve them in the same difficulty, and is always attended with the greatest injury and suffering in the districts where such stoppages occur. If this be the case where the solidity of the Bank is unquestionable, what must it be when (as too often happens) they rest on no solid foundation.

In Scotland there are not more than thirty Banks, and these Banks have stood firm amidst all the convulsions in the money market in England, and amidst all the distresses to which the manufacturing and agricultural interests in Scotland, as well as in England, have occasionally been subject.

Banks of this description must necessarily be conducted upon the general understood and approved principles of Banking.

Individuals are, from the nature of the institutions, precluded from speculating in the manner in which persons engaged in Country, and even in London Banks, speculate in England.

If the concerns of the country could be carried on without any other Bank than the Bank of Eng-

land, there might be some reason for not interfering with their exclusive privilege ; but the effect of the law, at present, is to permit every description of Banking, *except* that which is *solid* and *secure*.

Let the Bank of England reflect on the dangers to which it has been recently subject, and let its Directors and Proprietors then say, whether, for their own interest, such an improvement as is suggested in the Banking system, is not desirable and even necessary.

The Bank of England may perhaps propose, as they did upon a former occasion, the extension of the term of their exclusive privilege, as to the metropolis and its neighbourhood, beyond the year 1833, as the price of this concession.

It would be very much to be regretted that they should require any such condition.

It is clear that, in point of security, they would gain by the concession proposed to them, inasmuch as their own safety is now necessarily endangered by all such convulsions in the country circulation, as we have lately and formerly witnessed.

In point of profit, would they lose any thing by it, for which they are entitled to demand compensation ?

It is notorious, that at the present time their notes circulate in no part of England beyond the metropolis and its neighbourhood, except in Lancashire ; and perhaps for that district some special provision might be made.

But as it is the interest, so it has been and ever will be the endeavour, of the Country Bankers to keep the Bank of England notes out of circulation in those parts of the kingdom where their own circulation prevails. In this they must always be suc-

cessful, whilst public credit continues in its ordinary state, and the exchanges not unfavourable to this country. The consequences are, that in such times, the Bank of England becomes in a manner the sole depository for gold; and in times of an opposite tendency, the sole resort for obtaining it: that at one period their legitimate profit is curtailed by an accumulation of treasure beyond what would be required by a due attention to their own private safety as a Banking establishment; and at another period, they are exposed to demands which endanger that safety, and baffle all the ordinary calculations of foresight and prudence.

. If then the Bank of England has no country circulation, except in the county above named, the only question for them to consider is, whether, on the ground of profit, as well as security to themselves, the existing country circulation shall or shall not be improved.

With respect to the extension of the term of their exclusive privileges in the metropolis and its neighbourhood, it is obvious, from what passed before, that Parliament will never agree to it.

Such privileges are out of fashion; and what expectation can the Bank, under present circumstances, entertain, that theirs will be renewed? But there is no reason why the Bank of England should look at this consequence with dismay. They will remain a chartered Corporation for carrying on the business of Banking. In that character they will, we trust, always continue to be the sole Bankers of the State, and with these advantages, so long as they conduct their affairs wisely and prudently, they always must be the great centre of Banking and circulation.

Theirs is the only establishment at which the dividends due to the public creditor can by law be paid.

It is to be hoped, therefore, that the Bank will make no difficulty in giving up their exclusive privileges, in respect to the number of partners engaged in Banking, as to any district miles from the metropolis.

Should the Bank be disposed to consent to a measure of this nature, in time to enable the Government to announce such a concession at the opening of Parliament, it would afford great facilities to the arrangement which they may have to propose for ensuring the stability of private credit, in which the support of public credit and the maintenance of public prosperity are so materially and closely involved.



## Appendix, No. XII.

**NAVAL and MILITARY PENSIONS.—CORRESPONDENCE,** relating to Agreement between Trustees of Naval and Military Pensions, and the Bank of England.

Fife House, March 21, 1823.

MY LORDS,—We have the honour of reporting to your Lordships, that, after bestowing our fullest consideration upon the means by which the objects of the trust reposed in us might be most effectually secured, it has appeared to us to be highly expedient, that the power vested in us by the Act of the 3d of His present Majesty, c. 51. should be

so far extended as to enable us to dispose at once of such a portion of the Annuity thereby created, as may be sufficient to provide for the quarterly payments to be made by us into the Exchequer, for a certain number of years, under an engagement with the Bank of England.

We have therefore thought it our duty to enter into a communication with the Governor and Deputy Governor of the Bank upon the subject ; and we have now the honour of transmitting copies of the Correspondence (Nos 1. 2. 3.) by which we have concluded an agreement with that Corporation, for the payments to be made between the 5th January 1823, and the 5th July 1828, subject to the approbation of Parliament.

We have the honour to be, &c. &c. &c.

(signed) LIVERPOOL.

The Lords Commissioners  
of H. M. Treasury.

F. J. ROBINSON.  
CHAS LONG.

The rate of Interest according to which the amount of the Annuity to be transferred to the Bank has been computed, is £4. 2. 1. per £100. per annum, being the rate indicated by the price of the long annuity having 37 and  $\frac{3}{4}$  quarter years to run ; viz., £18. 17. 9. after deducting the value of the accruing dividend thereon, on Saturday the 1st of March.

ENCLOSURE, No. 1.

Treasury Chambers, March 3, 1823.

GENTLEMEN,—With reference to the conference which we had the honour of holding with you yesterday, upon the subject of the purchase, by the Bank of England, of a portion of the Annuities created by the Act of the 3d of His present Ma-

jesty, for defraying the charge of the Naval and Military Pensions, we now beg leave to express our readiness to conclude an engagement with the Bank for that object, upon the following basis : subject to the approbation of Parliament :—

The Bank of England to undertake the payments to be made in pursuance of the provisions of that Act, from the 5th January 1823, to the 5th of July 1828, both inclusive, upon the transfer to the Bank of England of such a portion of the Annuity created by the Act, as may be equal to the present value of the excess of such advances beyond the amount which will remain applicable to those payments, after such transfer to the Bank ; the value of the Annuity to be computed according to the current price of the long annuity, when the books of the Bank for the transfer of that stock closed on Saturday ; due allowance being made for the longer term of the duration of the annuity proposed to be transferred. We have the honour to be, Gentlemen, Your obedient humble Servants,

(Signed) LIVERPOOL.

F. J. ROBINSON.

The Governor and Deputy  
Governor of the Bank.

CHARLES LONG.

### ENCLOSURE, No. 2.

Bank of England, March 13, 1823.

MY LORD, AND GENTLEMEN,—I have the honour to acquaint you, that the Court of Directors have approved of the agreement entered into for advancing the sums specified at foot, to defray the charge of Military and Naval Pensions, between the 5th of January 1823 and the 5th of July 1828, both inclusive, and to receive in lieu thereof a

transfer of a portion of the Annuity created by the 3d of His present Majesty, c. 51, to be calculated at the same rate of interest as that afforded by the long annuities.

The agreement must be subject to the approval of the Court of Proprietors, on Thursday next. I have the honour to be, My Lord, and Gentlemen,

Your most obedient humble servant,

(Signed) JOHN BOWDEN.

1823.....	5 April.....	£ 885,719
	15 July.....	1,225,000
	20 October....	67,870
1824.....	January.....	1,175,000
	April.....	67,870
	July.....	1,175,000
	October.....	27,870
1825.....	January.....	1,135,000
	April.....	27,870
	July.....	1,130,370
1826.....	January.....	1,097,870
	July.....	1,067,870
1827.....	January.....	1,037,870
	July.....	992,870
1828.....	January.....	947,870
	July.....	1,027,500
Total		<u>£13,089,419</u>

ENCLOSURE, No. 3.

Bank of England, March 21, 1823.

MY LORD, AND GENTLEMEN,—I have the honour to enclose you a copy of the proceedings of the General Court of Proprietors, held at the Bank yesterday, approving of the arrangement entered

into between you, as trustees of the Military and Naval Pensions and Superannuations, and the Court of Directors. I have the honour to remain,

My Lord, and Gentlemen,

Your most obedient humble Servant,

(signed) JOHN BOWDEN, Gov<sup>r</sup>.

The Right Hon. the Earl of Liverpool.

The Right Hon. F. J. Robinson.

The Right Hon. Sir Chas Long.

At a General Court of the Governor and Company of the Bank of England, held at their Public Office in Threadneedle-street, on Thursday the 20th March 1823 :—Present; John Bowden, Esq. Governor; Cornelius Buller, Esq., Deputy-Governor; and divers Directors and other members.

The Governor acquainted the Court, that they had been summoned on special affairs, for the purpose of submitting to them, that His Majesty's Ministers had made a proposal for the purchase, by the Bank, of a portion of the Annuity created for defraying the Military and Naval Pensions; which, upon full consideration, the Court of Directors had agreed to, if it should meet with the approbation of the Court of Proprietors; and the Governor then read the letter from the Trustees, and the resolution of the Court of Directors thereon;—viz.

“Treasury Chambers, March 3, 1823.

“GENTLEMEN,—With reference to the conference, &c. &c.

“At a Court of Directors, 20th March, 1823.

“*Resolved,*

“That in conformity to the agreement entered into by the Governor and Deputy Governor, with the Trustees of the Annuity created by the 3d

“ Geo. 4. c. 51. for defraying the charge of Military  
 “ and Naval Pensions and Civil Superannuations,  
 “ the Court do engage, subject to the approbation  
 “ of the Court of Proprietors, to make the follow-  
 “ ing payments, at the periods specified hereunder,  
 “ on the said Trustees transferring to the Bank an  
 “ Annuity of £585,740; to commence from 5th  
 “ April, 1823, and to continue for a term of 44 years,  
 “ and then to cease.

“ 1823.....	April.....	£ 885,719
	July.....	1,225,000
	October.....	67,870
“ 1824.....	January.....	1,175,000
	April.....	67,870
	July.....	1,175,000
	October.....	27,870
“ 1825.....	January.....	1,135,000
	April.....	27,870
	July.....	1,130,370
“ 1826.....	January.....	1,097,870
	July.....	1,067,870
“ 1827.....	January.....	1,037,870
	July.....	992,870
“ 1828.....	January.....	947,870
	July.....	1,027,500

---

Total    £13,089,419”

---

*Resolved*, by the General Court of Proprietors,  
 That this Court do agree with the said Resolution  
 of the Court of Directors, and authorize them to  
 carry the same into effect.

## Appendix, No. XIII.

## (CIRCULAR.)

May 23, 1827.—“Assuming it to be desirable to retain a paper money currency convertible on demand, the great question for consideration is, how that paper money can be so regulated as to afford the greatest security for receivers, both as regards the solidity of the issuer, and the power of obtaining coin for the same on demand.

“In order to obtain those objects, it is necessary, in the first instance, to free the paper money, as far as may be possible, from the effects of what has been termed panic. In a great commercial country like this, periods of speculation and overtrading may frequently arise; still, no event of that nature ought, under proper regulation of the currency, to affect the credit of the paper money, the discredit of which has hitherto tended very greatly to aggravate the evils which we have in such times sustained. Now, under the present system of issues by the Bank of England, and the Country Bankers, there is the greatest difficulty, amounting almost to an impracticability, of so regulating the paper money currency as to attain the objects immediately referred to. The confliction of action and interest between these two description of issues is the main difficulty; the fact being that, as prices expand, and even where the notes are returning upon the Bank for gold, to be exported, the issues of the Country Bankers are extending, and are never attempted to be withdrawn, until the Bank makes an evident demonstra-

tion to the country of contracting, from a continuance of the drain upon that establishment for gold. That action, though of the most trifling amount, immediately lays the foundation of alarm, and the paper money issued by the Country Bankers becomes discredited, before they can be provided to meet the run upon their establishments. Stoppage is the consequence with many; and although they may eventually realize sufficient assets to meet their engagements to the actual holders of the notes, yet the country has to sustain all the evils attendant on the first discredit, and which no final payment can ever alleviate. It is in this state of discredit, attending the *private* paper money currency, that the Bank of England is looked to, not only for gold in exchange for its own notes, but also to supply an almost instantaneous demand to a very great extent on the part of those Country Bankers who have the command of funded or other tangible property to offer as security, the magnitude of which internal demand for gold actually places the Bank in the greatest possible danger, and with that danger the credit of the country is placed at hazard.

“ It may, perhaps, be deserving of consideration, whether the hazard and difficulties of our present system might not be obviated by confining the issue of the paper money currency to one body of undoubted solidity; and believing that such a measure, if practicable, could not be so satisfactorily carried into effect as by the Bank of England, *under proper and efficient Parliamentary regulations*, it is proposed that the paper of that corporation should be that alone permitted to circulate. There could, however, be no objection to the substitution of any other body of equal credit, which might be deemed more advantageous for the country. In thus limiting the

issue to one body, the accommodation and advantage derived by the public from Country Banks ought to be preserved as far as may be practicable ; and which, it is presumed, might be effected by continuing in that channel the issue of the paper money proposed to be adopted, in such manner, and at such rate of interest as may afford a fair proportion of the advantage which the Country Bankers have for so many years been permitted to enjoy in their own circulation. It remains, therefore, to be shown, in what mode a plan of that nature could be adopted.

“ The advantage hitherto derived by the Country Bankers upon their issues, may be estimated at 5 per cent. per annum ; from which, however, should be deducted :—

“ 1. The expense of printing, issuing, &c.

“ 2. The stamp duty.

“ 3. The interest on the amount of Bank of England paper, or bullion, which they *ought* to keep to meet returns.

“ 4. *The risk of loss in times of general discredit of private paper money, upon realizing funded or other property, which, under the present system, has generally occurred once in four or five years ; and there appears no reason to suppose that it will occur less frequently hereafter.*

“ These deductions may be fairly estimated at from 2 to 3 per cent. per annum, the residue forming the amount of net profit. It might, therefore, be proposed, that every Country Banker withdrawing his own paper circulation, should receive that of the Bank of England *to the same amount at a reduced rate of interest*, giving to that corporation security for such issue ; one-third of which should be in bills of exchange, or other convertible securi-

ties, which, in the event of a contraction becoming necessary to correct the exchanges, might be withdrawn by the Bank upon three months' notice, in sums not exceeding 5,000*l.* in succession; and any sums so withdrawn should, if required, be again re-issuable in the same manner, and upon the same terms. The remaining two-thirds to be a permanent advance upon funded or landed property, during the term of the Bank charter, at the option of the borrowers.

“ The Country Bankers would thus derive the full benefit between the rate of interest paid to the Bank, and that which they would obtain from their borrowers, free from all anxiety arising from panics, and from other causes discrediting private paper money. There might, perhaps, be some little difficulty in laying down regulations for keeping up this system, upon the dissolution of existing country establishments: that difficulty might, in all probability, be got over when the details of the plan came to be considered.

“ The Bank paper thus proposed for circulation might be issued from the branch banks established in central parts of the country, affording the facilities of exchange, and payment in coin when demanded; and from which branch banks any further issue might be made upon discount at the current rate of interest, which might be required *by the expansion of prices, so long as the exchanges were in favour of the country*; thus affording at all times a full and efficient currency. In order to give the desired effect to a plan of this description, it would be essential to obtain the concurrence of the majority of the country banking interest, and which from a *limited inquiry that has been made, it is thought would be given, provided no material*

*difficulty arose in arranging of details.* And, finally, to give stability to the system, the Bank of England should be required to publish in the Gazette every quarter, the amount of notes in circulation, with the bullion, and securities in deposit, that the public might be apprised of any fluctuation in either paper or bullion which might occur, and which publication would, it is conceived, be a sufficient security against any undue use of the power thus placed in the hands of the Bank.

“It is presumed, that by the foregoing plan all the advantages and convenience of the country bank establishments might be retained, and permanent solidity be given to our paper money currency, no contraction ever being likely to occur, except in the event of a continuance of an unfavourable exchange, and the consequent return of paper upon the Bank and its branches for gold to be exported, which return of paper, if not improvidently re-issued by the Bank, would, in all probability, be sufficient to correct the exchanges, and bring back the gold which might have passed abroad. If the demand, however, for gold should at any time be very rapid and extensive, it might possibly, in such case, require some trifling check, either by contraction of the paper circulating throughout the country, or by a limitation of the mercantile discounts at the Bank, the effect of which would be to contract at an early period that part of the currency which may be termed collateral—viz. bills of exchange and credits; thus lowering the prices of commodities, so as to render them cheaper articles of payment to the foreigner than the bullion previously required.

“If, upon giving this subject the fullest consideration, it *should be deemed objectionable* to confine

the issue of paper money to one body, *it appears to be doubtful whether any real and effectual security can be given against the recurrence of the evils we have so lately sustained.* So long as the Bank and the *many* exist together, so long will the latter always rest upon the former in the day of distress and discredit; and from what has hitherto so frequently occurred, it may be confidently asserted, that under the great existing state of our paper money, the Bank, continuing to act as heretofore, must *necessarily incur the greatest risk of stoppage, and thereby place at hazard the very credit of the country.*

“In considering the preceding statement, the following principle should be admitted:—that all supposed vested interests, either in the Bank of England or other establishments issuing paper money, should be deemed subservient to the national interests; consequently the security of general property should form the only object of consideration in any plan for *substituting paper money for coin.*”



## Appendix, No. XIV.

At a MEETING of COUNTRY BANKERS, held  
at the Old London Tavern, Bishopsgate-street,  
December 7, 1827,

Sir JOHN WROTTESELEY, Bart. M. P. in the Chair.

*Resolved unanimously,*—That this Meeting disclaim every sentiment of hostility to the Bank of England, upon its original principles, being firmly persuaded that the Bank of England and the va-

rious other Banking establishments of the kingdom have, together, long been found to promote the interests of the public, and to afford a salutary check upon each other.

That the late measures of the Bank of England, in the establishment of Branch Banks, have the evident tendency to subvert the general Banking system that has long existed throughout the Country, and which has grown up with, and been adapted to, the wants and conveniences of the public.

That it can be distinctly proved, that the prosperity of trade, the support of agriculture, the increase of general improvement, and the productiveness of the national revenue, are intimately connected with the existing system of Banking.

That the Country Bankers would not complain of rival establishments, founded upon equal terms ; but they do Complain of being required to compete with a great company, possessing a monopoly and exclusive privileges.

That should this great Corporation, conducted by directors who are not personally responsible, succeed, by means of these exclusive advantages, in their apparent object of supplanting the existing Banking Establishments, they will thereby be rendered masters of the circulation of the country, which they will be enabled to contract or to expand, according to their own will, and thus be armed with a tremendous power and influence, dangerous to the stability of property and the independence of the country.

That a deputation be appointed, to request an interview with Lord Viscount Goderich and the Chancellor of the Exchequer, to present the above resolutions, to offer any explanation, which the practice and experience of the deputation may enable

them to afford ; and to urge Lord Viscount Goderich and the Chancellor of the Exchequer to take their case into consideration, and grant such relief as may be just to the Country Bankers and beneficial to the public.

That the deputation do consist of—Sir J. Wrottesley, Bart., M.P. ; W. Beckett, Esq., of Leeds ; J. S. Harford, Esq., of Bristol ; Deane John Parker, Esq., of Canterbury ; R. Spooner, Esq., of Birmingham ; P. M. James, Esq., of Birmingham ; and W. D. Crewdson, Esq., of Kendal.

That the Select Committee, appointed at the last meeting, be requested to continue their services.

That this Meeting to adjourn to Monday next, then to assemble at one o'clock, at the same place.

JOHN WROTTESLEY, Cairman,

At a MEETING of the GENERAL COMMITTEE of COUNTRY BANKERS, held upon Monday, the 10th of December, at the Old London Tavern, pursuant to adjournment,

Sir JOHN WROTTESLEY, Bart., M. P., in the Chair.

THE Chairman reported to the Meeting the interview of the deputation with Lord Goderich and the Chancellor of the Exchequer, and read their answer, as follows :—

“ Downing-street, December 10, 1827.

“ Lord Goderich and the Chancellor of the Exchequer state to the deputation, that they were fully sensible of the great importance of the subjects which were brought before them by the deputation ; and that, although it was obviously impossible that they could undertake, on the part of the Government, to express upon that occasion any opinion

upon the matters under consideration, they could assure the deputation, that all that had been communicated should receive the most deliberate and serious attention.”

*Resolved unanimously*,—That the following gentlemen be a standing Committee, for the protection of the Country Banking interest, with power to add to their number, and that the Chairman of this Meeting, Sir John Wrottesley, Bart., M. P., be empowered to reassemble the said Committee whenever he may receive any further communication from Government, or upon any other occasion he may think necessary :—

J. Backhouse, Esq., Sunderland	P. M. James, Esq. Birmingham
W. Beckett, Esq., Leeds	S. J. Lloyd, Esq., Manchester
W. Birbeck, Esq., Settle	John Milford, Esq., Exeter
J. E. Bowman, Esq., Wrexham	John Moss, Esq., Liverpool
W. W. Brown, Esq., Leeds	D. J. Parker, Esq., Canterbury
Sir W. Cooke, Bart.	W. Rickford, Esq., Aylesbury
W. D. Crewdson, Esq., Kendal	R. Spooner, Esq., Birmingham
Henry Davies, Esq., Monmouth	T. Swann, Esq., York
T. Eyton, Esq., Shrewsbury	W. Tweedy, Esq., Truro
C. S. Forster, Esq., Walsall	D. Veasey, jun., Esq., Hunting-
J. J. Guest, Esq., M. P.	don
J. S. Harford, Esq., Bristol	John Webb, Esq., Burton
John Harris, Esq., Plymouth	John Wright, Esq., Nottingham
J. P. Heywood, Esq., Liverpool	Sir John Wrottesley, Bart., M. P.

That five members of the Standing Committee be empowered to act.

That the cordial thanks of this meeting be presented to Sir John Wrottesley, Bart., M. P., and the Gentlemen who accompanied him as a Deputation to his Majesty's Ministers, for their valuable services.

That the proceedings of this day, together with the resolutions submitted to his Majesty's Ministers, and their answer thereto, be transmitted to all Bankers throughout the kingdom, and be published in the London newspapers.

That the grateful thanks of the Country Bankers

are eminently due to their honorary Secretary, John Easthope, Esq., M. P., for the very able and disinterested services which he has rendered to Country Bankers.

JOHN WROTTESLEY, Chairman.

The Chairman having quitted the chair, and W. W. Brown, Esq., called thereto,

*It was resolved—*

That this Meeting is impressed with a high sense of the important assistance rendered by their Chairman, Sir John Wrottesley, Bart., M. P., and beg to express to him their warm and unanimous thanks.

W. W. BROWN.

## Appendix, No. XIV, continued.

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TO THE RIGHT HONOURABLE LORD GODERICH, FIRST LORD  
COMMISSIONER OF HIS MAJESTY'S TREASURY.

The Memorial of the under signed Bankers in the town of Birmingham and its neighbourhood,

“ Respectfully sheweth—That by 55 George III, cap. 184. inland bills of exchange, either on demand or otherwise, not exceeding two months after date, or sixty days after sight, are made chargeable with certain *ad valorem* stamp-duties therein specified.

“ That your Memorialists, in the course of their regular business, have been in the practice of drawing bills of exchange, to enable their customers to transmit sums of money from one part of the of the kingdom to another—each bill upon a stamp, agreeably with the above enactment.

“ That since the establishment of Branches of the Bank of England, the agents of these Branch Banks have drawn bills of exchange at 21 days after date, upon unstamped paper, considering, as your Memorialists are informed, that their bills of exchange are exempted from stamp-duties under the 20th section of the above Act, which allows the Governor and Company of the Bank of England to pay a composition upon their “ promissory notes and Bank-post bills,” in lieu of duties.

“ That the following statements will serve to show the difference in amount of duty between that which is paid when every bill of exchange is drawn upon a stamp, as in the case of your Memorialists, and the duty paid by the Governor and Company of the Bank of England, for

bills of exchange drawn by them under the composition for their “promissory notes and Bank post-bills.”

		The Stamp Duty is	Bank of England pays		
		£ s. d.	0 s. d.		
For a Bill of Exchange of £50		0 2 6	0 0 2 <sup>1</sup> / <sub>3</sub>		
. . . . . 100		0 3 6	0 0 5		
. . . . . 200		0 4 6	0 0 9 <sup>2</sup> / <sub>3</sub>		
. . . . . 300		0 5 0	0 1 2 <sup>1</sup> / <sub>3</sub>		
. . . . . 500		0 6 0	0 2 0 <sup>1</sup> / <sub>3</sub>		
. . . . . 1,000		0 8 6	0 4 1		
A Circulation of 10,000% in Bills of Ex- change, issued by Branch Banks.	Will subject the Bank of England, per An- num, to a Composi- tion of	Whilst other Bankers would pay per An- num in Stamp Du- ties.			
Of £20 each	£35	£650 0 0			
30	35	577 15 6			
50	35	433 6 8			
100	35	303 6 8			
200	35	195 0 0			
300	35	144 8 10			
400	35	130 0 0			
500	35	104 0 0			
600	35	122 15 6			
700	35	105 4 9			
800	35	92 1 8			
900	35	81 17 0			
1,000	35	73 13 4			

“That the injurious effect to His Majesty’s revenue above noticed, arises from the circumstance of one charge only being made in the year upon the largest amount in circulation at any one time of the Bank of England draughts at 21 days, whilst the charge of stamp-duty upon the average amount of draughts of other Bankers, drawn at the same date of 21 days, is repeated  $17\frac{1}{3}$  times in the year.

“Your Memorialists respectfully submit the foregoing to your Lordship’s attention, and pray that all bills of exchange be made liable to the same stamp-duty, whether drawn by the Governor and Company of the Bank of England, or by others of His Majesty’s subjects.”

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*To Country Bankers in the Neighbourhood of Bank of England Branch Banks.*

“GENTLEMEN,—Engaged in the same business with yourselves, I cannot look on the manifest designs, and the present proceedings of the Bank of England, without a degree of alarm.

“Sensible as I am that it is necessary for something to be done, I am at the same time sensible that we have so much justice on our side, that a mere demonstration on our part would call forth an expression of public opinion to the discomfiture of the enemies alike of ourselves and of the public. What motive have the Bank of England for intruding themselves into our business, but their own interest? Are they actuated by a laudable desire to improve the circulating medium of the country? No such thing: they are rather actuated by the illaudable desire to enrich themselves by an extension of their own monopoly, reckless of consequences; and what those consequences would be to the community you well know.

“My present object is to excite you to action. Do not slumber at your posts; the Bank of England have besieged you in your citadel; the siege may be slow, but the event, if you continue inactive, is sure; they are sapping your foundations, and if your defences do not fall about your ears,

you must eventually perish by famine. It is therefore your duty to take the field manfully against them, and to conquer fairly, or to fall in the attempt.

“What could be more impolitic, or more suicidal, than your submitting to keep accounts with the Branch Banks, to induce them to do—what?—To take your notes! Are you not aware, that without this imprudent concession they could scarcely have kept a single account, for who would have incurred both the odium and the trouble of *running* you daily, to enable him to keep an account with the Branch Bank?”

“Withdraw your balances—defy the Branch Banks to refuse your notes—keep no Bank of England notes—nothing but sovereigns. If the Branch Banks refuse to take your notes, take theirs, and present them daily for payment. Meet your enemies fairly in the field, and you will soon beat them out of it. I am, Gentlemen, your sincere friend,

“October 6, 1827.                      A COUNTRY BANKER.”

Since the preceding documents were sent to the press, the following Memorial has been addressed to the Lords of the Treasury.

*Memorial of the Deputation of Country Bankers  
to the Lords of the Treasury.*

TO THE RIGHT HONOURABLE THE LORDS COMMISSIONERS OF  
HIS MAJESTY'S TREASURY.

The humble Memorial of the Country Bankers  
in England and Wales,

“Sheweth, That the Banking System established in this country forms a most important and essential part of its commercial economy; that the Bank of

England has heretofore been principally engaged in performing the functions of a State Bank, and in transacting business in London : the Country Banks have been the medium of the most important pecuniary transactions in all other parts of the kingdom ; and with this system are intimately connected the prosperity of trade, the support of agriculture, the increase of general improvement, and the productiveness of the national revenue.

“ That an important and extraordinary change in the system was suggested by the First Lord of the Treasury and the Chancellor of the Exchequer,\* upon the most erroneous conception of the actual state of the case ; general charges of misconduct in the practice of Country Bankers, which were groundless, formed the basis upon which a new system was proposed and undertaken ; and your Memorialists cannot refrain from pressing upon the attention of your Lordships, that, had due inquiry into the subject preceded the suggestion, the measure of establishing Branch Banks would not have taken place.

“ Your Memorialists beg further to state to your Lordships, that should these branches, conducted by Directors not personally responsible, succeed, by means of exclusive advantages, in their apparent object of supplanting the existing Banking Establishments, the Bank of England will thereby be rendered masters of the circulation of the country, which it will be enabled to contract and expand at pleasure, and thus be armed with a tremendous power and influence, dangerous to the stability of property, and the independence of the country ; a power which, if this Corporation is suffered to exercise uncontrolled during the unexpired term of

\* See Appendix, No. IX.

their exclusive privileges, will place them in a situation to dictate terms to the Government, and thus virtually, if not by Statute, render their monopoly perpetual. Then will the value and rental of land, the value of all domestic produce, and of all commodities consumed at home, the revenue of the state, the wages of labour, and the employment of the poor, be made to fluctuate according to the secret and uncontrolled regulations of the Governor and Company of the Bank of England.

“Your Memorialists, therefore, deeply regret that your Lordships do not feel justified in adopting measures for the withdrawal of Branch of Banks; and they hope that your Lordships will be pleased, as far as lies in your Lordships’ power, to prevent any interference with the business of your Memorialists; and that your Lordships will be pleased to institute an inquiry into the system of Country Banking, and take into your Lordships’ consideration the claims of the Country Bankers to be regarded as parties in the intended application for the renewal of the Bank Charter; and that no special privilege or monopoly be granted or continued to the Governor and Company of the Bank of England; but that they may be placed on a perfect equality with Country Bankers in the competition which, by means of their Branch Banks, they are now carrying on with your Memorialists.

“By order of the Meeting,

(signed) “JOHN WROTTESELEY, Chairman.”

May 9, 1828.

# COUNTRY BANKERS' NOTES.

*Number of Country Bankers' Notes Stamped in each Year, from 1819, and up to the 5th April, 1828*

		ENGLAND AND SCOTLAND.								IRELAND.				
		Not exceeding 1 <i>l.</i> 1 <i>s.</i> 5 <i>d.</i>	Exceeding 1 <i>l.</i> 1 <i>s.</i> and not exceeding 2 <i>l.</i> 2 <i>s.</i> 10 <i>d.</i>	Exceeding 2 <i>l.</i> 2 <i>s.</i> and not exceeding 5 <i>l.</i> 5 <i>s.</i> 1 <i>s.</i> 3 <i>d.</i>	Exceeding 5 <i>l.</i> 5 <i>s.</i> and not exceeding 10 <i>l.</i> 1 <i>s.</i> 9 <i>d.</i>	Exceeding 10 <i>l.</i> and not exceeding 20 <i>l.</i> 12 <i>s.</i>	Exceeding 20 <i>l.</i> and not exceeding 30 <i>l.</i> 3 <i>s.</i>	Exceeding 30 <i>l.</i> and not exceeding 50 <i>l.</i> 5 <i>s.</i>	Exceeding 50 <i>l.</i> and not exceeding 100 <i>l.</i> 8 <i>s.</i> 6 <i>d.</i>	Amounting to 1 <i>l.</i> and under 5 <i>d.</i> 3 <i>d.</i>	Amounting to 5 <i>l.</i> and under 10 <i>l.</i> 6 <i>d.</i>	Amounting to 10 <i>l.</i> and under 50 <i>l.</i> 8 <i>d.</i>	Amounting to and not exceeding 50 <i>l.</i> 12 <i>s.</i>	Amounting to 50 <i>l.</i> and under 100 <i>l.</i> 3 <i>s.</i>
1819	England	1,684,741	41,855	260,149	79,667	19,102	503	140	555	....	....	....	....	....
	Scotland	99,596	....	4,000	....	1,000	....	....	....	704,114	48,800	33,667	1,325	....
		1,784,337	41,855	264,149	79,667	20,102	503	140	555	704,114	48,800	33,667	1,325	....
1820	England	1,660,824	22,181	202,173	49,280	7,150	....	71	1,060	....	....	....	....	....
	Scotland	23,000	....	1,500	....	100	....	....	....	435,369	26,800	19,523	240	110
		1,683,824	22,181	203,673	49,280	7,250	....	71	1,060	435,369	26,800	19,523	240	110
1821	England	2,167,624	20,180	243,739	49,226	8,838	50	417	1,000	....	....	....	....	....
	Scotland	46,999	....	11,100	2,000	1,900	....	....	600	354,041	5,700	6,146	75	24
		2,214,623	20,180	254,839	51,226	10,738	50	417	1,600	354,041	5,700	6,146	75	24
1822	England	1,853,559	11,700	259,213	63,032	10,156	100	206	660	From 15th Aug. 1822, 1 <i>d.</i> By Act 3. Geo. 4. 334,570	....	....	....	....
	Scotland	35,400	....	8,000	2,000	3,600	....	....	400		....	....	....	....
		1,888,959	11,700	267,213	65,032	13,756	100	206	1,060	334,570	10,000	8,849	120	100
1823	England	1,905,359	25,110	263,184	73,232	9,323	199	292	992	....	....	....	....	....
	Scotland	64,400	....	10,009	1,000	250	....	....	409	270,301	5,800	5,925	30	20
		1,969,758	25,110	273,184	74,232	9,573	199	292	1,392	270,301	5,800	5,925	30	20
1824	England	2,449,353	21,500	434,512	130,196	18,789	14	528	1,861	....	....	....	....	....
	Scotland	52,496	....	7,600	1,000	3,400	....	....	....	669,602	16,000	12,200	200	....
		2,501,849	21,500	442,112	131,196	22,189	14	528	1,861	669,602	16,000	12,200	200	....
1825	England	3,038,875	39,511	510,946	155,833	35,092	12	381	1,845	....	....	....	....	....
	Scotland	133,602	....	47,000	2,400	11,300	....	....	....	1,213,486	28,814	26,000	500	300
		3,172,477	39,511	557,946	158,233	46,392	12	381	1,845	1,213,486	28,814	26,000	500	300
1826	England	119,604	....	139,603	45,399	1,971	341	12	375	....	....	....	....	....
	Scotland	128,513	....	2,000	....	....	....	....	....	558,231	30,405	14,450	....	....
		248,117	....	141,603	45,399	1,971	341	12	375	558,231	30,405	14,450	....	....
1827	England	....	....	245,911	57,683	6,933	....	95	208	....	....	....	....	....
	Scotland	291,377	....	....	....	....	....	....	....	406,435	3,300	5,269	....	....
		291,377	....	245,911	57,683	6,933	....	95	208	406,435	3,300	5,269	....	....
5th Apr. 1828	England	....	....	60,451	13,867	4,250	....	140	1,029	....	....	....	....	....
	Scotland	16,000	....	1,100	....	....	....	....	....	9,200	100	100	....	....
		16,000	....	61,551	13,867	4,250	....	140	1,029	9,200	100	100	....	....

The Scotch Banks obtain their Note Stamps chiefly through their London Agents, and which are not distinguishable from those obtained through the same medium for the Country Bankers in England. The Return which is made for Scotland is necessarily confined to the Notes sent up from Scotland, through the distributor, to be stamped, except the Notes of a lesser value than 5*l.* stamped since the 3d February, 1826; being applicable only to Scotland. The Chartered Banks obtain the Stamps for their Notes chiefly through their London Agents, and which are not distinguishable from the other Scotch Banks: no return can, therefore, be made of the number

## Appendix, No. XV.

## NOTICE OF THE BRANCH BANK AT LEEDS.

THE Notes of the Bankers in Leeds are received for deposit or drawing accounts *until two o'clock*, at which time they are sent out for payment, *and if paid*, are immediately passed to the account of the customers; but to facilitate business, the Bankers both of Leeds and the surrounding country are at liberty to open accounts with the Branch Bank, and their notes will *then* be immediately received *to the extent of their balances*.

The Banker's accounts may be kept by a deposit of gold, Bank of England notes, Bank post bills due, or by discounted bills, upon the banker making application to the agent for leave to open a discount account, *for the sole purpose of liquidating his notes*.



## Appendix, No. XVI.

THE following are extracts from “A Second Address to the Proprietors of Bank Stock, by Geo. Allardyce, M.P., 1801,” respecting the accounts which the Bank ought to render; and also a copy of Sir James Mansfield's Opinion on the subject. Mr. Allardyce did not live to act on the plan recommended by Sir J. Mansfield. Since then the subject has remained dormant more than a quarter of a century:—

## 1697.—8 William III. chap. 20.

It is Enacted, “ That all the profit, benefit, and  
 “ advantage, from time to time arising out of the  
 “ management of the said Corporation, shall be  
 “ applied to the uses of all the Members of the  
 “ said Corporation of the Governor and Company  
 “ of the Bank of England, rateably and in propor-  
 “ tion to each Member’s share and interest in the  
 “ common and principal stock of the said Gover-  
 “ nor and Company.”

## 1697.—9 William III. chap. 3.

“ The Directors are required and enjoined, from  
 “ and after the 25th March, 1698, to make such  
 “ dividends, once in each six calendar months at  
 “ least, unto the members of the said Corporation,  
 “ according to their respective shares and interests  
 “ in the said capital stock.”

## 1708.—7 Anne, chap. 7, sect. 63.

It is Enacted, “ That all the profits, benefits, and  
 “ advantage, from time to time arising out of the  
 “ management of the said Corporation, shall (the  
 “ charges of managing the business of the said  
 “ Governor and Company only expected,) be  
 “ applied, from time to time, to the uses of all  
 “ members of the Corporation for the time being,  
 “ rateably and in proportion to each member’s  
 “ share of the capital stock.”

From a general view of all the acts respecting the Bank, and its management, it seems clear, that the capital cannot be increased, but by the authority of Parliament. By the Charter, “ the General  
 “ Courts are empowered to make Bye Laws for  
 “ and relating to the affairs of the Company, so they  
 “ be not repugnant to the laws of the kingdom.”

### Bye Law 12,

Ordains, "That, twice in every year, a General Court shall be called and held, for considering the general state and condition of the Company, and for making of dividends out of all and singular the produce and profit of the Capital Stock and Fund of this Corporation, and the Trade thereof, among the several owners and proprietors therein, according to their several shares and proportions."

This Bye Law, if properly observed, would enable the Proprietors not only to consider the state and condition of the Corporation, but also to determine what ought to be the half-yearly dividend. A general account of the state and condition of the Company, with an account of the profits and an account of the charges of management for the preceding half-year, ought to be before them, from which alone they can properly determine what the quantum of the Dividend should be, as the law expressly directs that a Dividend shall be made of all the profits, the charges of management only deducted.

For a long time, however, this Bye Law has been a dead letter. All that generally passes at the Courts, called for considering and declaring Dividends, is, that the Governor declares the Directors are of opinion that the Dividend should be so much, and, desiring the Proprietors to signify their assent or dissent, the Dividend is declared without any production of accounts, and the opinions and conceits of the Directors, that only a part of the profits ought to be divided, are adopted in contradiction to positive Acts of Parliament, which direct that the whole of the profits shall be divided among the Proprietors for the time being. By

this means you receive a Dividend of only 7 per cent. per annum, when it is probable you are entitled to a Dividend of more than 10 per cent. per annum.

For what is this undivided part of the profit reserved? It must be either to create an increased capital, which cannot lawfully be increased without the authority of Parliament, or, being the property of the Proprietors for the time being, it is retained to augment the Dividends of those who may be Proprietors in time coming, who cannot have the least particle of right to it. It is the duty of the Court of Directors to lay before the General Court such documents as will enable them to declare a Dividend of the whole profits; if the Directors refuse to do it, there are means of compelling them to do it. The law directs that General Courts of the Proprietors shall be held for the declaring and making Dividends, which Dividends, it directs, shall be of all the profits from time to time arising from the management of the Company, among the partners for the time being, at least twice a year.

If the General Courts do not obey the law, the law will compel them to obey it.

It becomes me to shew that the directions of the Acts respecting Dividends have not been obeyed. The disaster of the Company in the beginning of 1797, produced investigations by Committees of the two Houses of Parliament into its concerns, the result of which was, in respect to its funds, that, after the payment of all its debts there was a surplus of £3,826,890, besides the permanent debt of Government, of £11,686,800. It is conceived that the whole of this surplus is in the nature of an increased capital, without the authority of Parliament, but that it ought to have been

divided, from time to time, as it arose, among the Proprietors for the time being.

MR. MANSFIELD'S ANSWER.

I am of opinion, that *every* Proprietor, at a General half-yearly Court, has a *right* to require from the Directors, and it is the *duty* of the latter to produce, all such accounts, books and papers, as are necessary to enable the Proprietors to judge of the state and condition of the Corporation and its Funds, and to determine what Dividend ought to be paid. The proper method to be pursued by those who consult me in order to obtain such a production, is, that a number of respectable proprietors should immediately give notice to the Governor and other Directors, that they shall require at the next General Court, a production of all the necessary books, accounts, and papers, and at the General Court, when it shall be held, to attend and require such a production. If it shall not be obtained, I then advise them immediately, or within a few days after the holding of the General Court, to make an application to the Governor, to call a General Court, which application must be made by nine members at least, having each £500 stock. If the Governor shall refuse to call such General Court, then the nine members who shall have applied to him to have a Court called, may themselves call one in the manner prescribed by the Charter; and whether the Governor calls such Court, or it is called by the nine members, I advise them, as soon as it is called, to apply to the Court of King's Bench for a mandamus to the Governor and Directors, to produce at such Court all the necessary books, accounts, and papers.

(signed) J. MANSFIELD.

Temple, March 9, 1801.

## Appendix, No. XVII.

An ACCOUNT of the total amount of OUTSTANDING DEMANDS on the Bank of England, and likewise the Funds for discharging the same; 30th January 1819.

Dr . . . The Bank, . . . 30th January 1819. . . . Cr			
	£.		£.
To Bank Notes out - -	26,094,430	By Advances on Government Securities; viz.	
To other Debts; viz. -		On Exchequer Bills on Malt, &c. 1818	
Drawing Accounts -		Bank Loan, 1808 -	
Audit Roll - - -		Supply, 1816, at £4 per cent. - - -	
Exchequer Bills deposited - - -	7,800,150	Growing Produce of the Consd Fund to 5th April 1819, and Interest due, and Loans to Government on Unclaimed Dividends - - -	8,438,660
And various other Debts - - - -		By all other Credits; viz.	
	33,894,580	Cash and Bullion -	
Balance of Surplus in favour of the Bank of England, exclusive of the Debt from Government, at £3 per cent. £11,686,800.		Exchequer Bills purchased and Interest - - - -	
And the Advance to Government, per 56 Geo. III. cap. 96. at £3 per cent. £3,000,000.	5,202,320	Bills and Notes discounted - - -	30,658,240
		Treasury Bills for the Service of Ireland	
		Money lent, and various other Articles - - - -	
	£. 39,096,900		£ 39,096,900
		By the permanent Debt due from Government, for the Capital of the Bank, at £3 per cent. per annum	11,686,800
		By the Advance to Government, per Act 56 Geo. III. cap. 96, at £3 per cent. per annum - - - -	3,000,000

Bank of England, }  
22d February 1819. }

WILLIAM DAWES,  
Accountant General.

## Appendix, No. XVIII.

**ESTIMATE of the PROFITS of the Bank of England, for the Year ending 5 April 1822, when a Dividend of 10 per cent. was paid on Bank Stock.**

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**PROFITS.**

Interest on their Capital advanced to Government, at 3 per cent., viz., on £14,686,800	- - -	£440,604
Allowance for the management of the Public Debt, &c., for one year, ending 5th April, 1822	- - -	270,135
Interest on advances to Government on Exchequer Bills, &c., average about £14,000,000	- - -	420,000
Discount on Mercantile Bills—say £2,000,000, at 5 per cent.	- - - - -	100,000
		<hr/>
Gross Profits	-	1,230,739

**DEDUCT EXPENSES.**

Paid to Government for Composition on Stamps	- - - - -	£85,000
500 Clerks, at average of £150 each	- - - - -	75,000
Salaries to the Directors, Allowances to retired Clerks, Buildings, Law Expenses, Taxes, Stationary, Coals, Candles, &c.	- - - - -	50,000
Forgeries, Bad Debts, &c.	- - - - -	30,000
		<hr/>
		240,000
		<hr/>
Net Profits	- - -	£990,739
Dividend on £14,553,000, being the Bank Capital, at 10 per cent.	- - - - -	1,455,300
		<hr/>
Excess of Dividend beyond Profits, for the year 1822		<u>£454,561</u>

## Appendix, No. XIX.

ESTIMATE of the PROFITS of the Bank of England, for the Year ending 5 April 1828, when a Dividend of 8 per cent. was paid on Bank Stock.

## PROFITS.

Interest on their Capital advanced to Government, at 3 per cent, viz., on £14,686,800	£440,604
Allowance for the management of the Public Debt for one year, ending 5th April, 1828	260,269
Exchequer Bills, on 26th February, 1828, were £9,460,628, say £10,000,000, on average at 2d per day	304,045
Advanced to Government, on 26th February, 1828, in payment of an Annuity of £585,740, £10,416,859, Interest on which sum at £4 2s. 1d. per cent., amounts to	427,056
Advanced on Mortgages, say £2,000,000, at 4 per cent.	80,000
Bills Discounted, say £1,000,000 at 4 per cent.	40,000
Gross Profits	1,551,974

## DEDUCT EXPENSES.

Paid to Government for Composition on Stamps	£73,500
500 Clerks, at an average of £150 each	75,000
Salaries to Directors, Allowances to retired Clerks, Buildings, Taxes, Law Expences, Stationary, Coals, Candles, &c.	50,000
Forgeries, Bad Debts, &c.	50,000
	228,500
Net Profits	£1,323,474
Deduct Dividend on £14,553,000, being the Bank Capital, at 8 per cent.	1,164,240
Probable Surplus Profits, for the Year 1828	£159,234

## BANK OF ENGLAND.

RETURN to an Order of the Hon. House of Commons, dated March 14, 1828, for an Account of the amount of the Composition payable by the Bank of England, for the Stamp Duties on their Promissory Notes, Bank Post Bills, and Bills of Exchange, for the years 1823, 1824, 1825, 1826, 1827, and 1828.

The account rendered by the Governor and Company of the Bank of England, does not enable the Stamp-office to comply with the order of the Hon. House of Commons. The account delivered by them, in pursuance of the Act of 55 Geo. III., merely contains the gross amount or value of all their Promissory Notes and Bank Post Bills in circulation on each Saturday in every week. The following is the amount of the Composition paid by them during the period required:—

1823.....	£71,750
1824.....	64,750
1825.....	66,500
1826.....	70,000
1827.....	71,750
1828.....	73,500

## STAMP DUTIES' COMPOSITION.

An ACCOUNT of the Average Amount of Circulation on which the Bank of England pays a Compensation in lieu of Stamps; distinguishing the amount of Bank Post Bills, with the amount of Composition payable thereon: also the Amount of Bills drawn by the Branch Banks, with the Amount of Composition payable thereon.

Average Amounts formed from Weekly Totals, from the 9th of April, 1825, to the 5th of April, 1828.			Amount of Composition, after the Rate of 3,500 <i>l.</i> per Million.		
£	s.	d.	£	s.	d.
Bank Notes - 19,178,582	8	1 $\frac{1}{2}$	-	-	-
Bank Post Bills 2,122,405	10	11	-	-	-
Bills drawn by the Branch Banks - - 16,530	3	2 $\frac{3}{4}$	-	-	-
			56 19 10 $\frac{1}{4}$		
			fractions - $\frac{1}{4}$		
£21,317,518	2	3 $\frac{1}{4}$	-	-	-
			£73,500 0 0		

Bank of England, April 14, 1828.

WILLIAM DAWES,  
Accountant-General.

## Appendix, No. XX.

## BANK OF ENGLAND.—FOUR ACCOUNTS.

## 1.

An ACCOUNT of Money paid or payable at the Bank of England, for the management of the Public Debt, in the Year 1827, together with an Account of all Allowances made by the Public to the Bank, or charged by the Bank against the Public, for transacting any Public Service in the Year 1827; describing the nature of the Service, and the Amount charged thereon in the said Year, and including the sum of £4,000, under the denomination of House Money, or House Expences; and also, the sum of £1,898 3s. 5d., under the denomination of Charges of Management on South Sea Stock; and stating the aggregate Amount of the whole.

CHARGE for Management of the Unredeemed Public Debt for one year, ending the 5th April, 1828, being the annual period at which the Accounts are made up, as directed by the Act 48 Geo. III. c. 4. - - -	£	s.	d.
	251,545	15	-- $\frac{1}{4}$
Ditto ditto for one year, ending ditto on sundry Annuities transferred to the Commissioners for the Reduction of the National Debt, for the purchase of Life Annuities, per Act 48 Geo. III. and subsequent Acts - - -	2,825	14	11 $\frac{3}{4}$
Charges of Management, being part of an entire yearly fund of £100,000, enjoyed by the Governor and Company of the Bank of England, originally by the Act of the 5th and 6th of William and Mary, c. 20. confirmed to the said Governor and Company by several subsequent Acts, and lastly, by the Act of the 39th and 40th Geo. III. c. 28. as per return made to The Honourable House of Commons, on the 21st June, 1816 - -	4,000	—	—
Ditto ditto on £4,000,000 South Sea Stock, purchased by the Governor and Company of the Bank of England of the South Sea Company, and transferred by them to the said Governor and Company, in pursuance of the Act of the 8th Geo. I. c. 21., and which charges of management were assigned by the said South Sea Company to the said Governor and Company, out of a Sum of £9,397 9s. 6d. per annum, then paid by the Public to the said South Sea Company, for charges of management on their funds, as per return made to The Honourable House of Commons, on the 21st June, 1816 - -	1,898	3	5

H. HASE, Chief Cashier, Bank of  
England, 12th May, 1828.

£260,269 13 5

## 2.

An ACCOUNT of the Aggregate Amount of all BALANCES of Public Money in the hands of the Bank, including the Money taken from the Exchequer by the Bank in exchange for Exchequer Bills deposited at the Exchequer, and including also the Balances of the Accountant General of the Court of Chancery, Unclaimed Dividends, and Lottery Prizes, and all other Public Deposits on the 1st and 15th days of each month, for the Year 1827; stating the Average Amount of the whole made up from the said days.

						£.
1827.	January	1st	-	-	-	5,324,710
		15th	-	-	-	6,450,113
	February	1st	-	-	-	4,104,601
		15th	-	-	-	3,338,736
March	-	1st	-	-	-	3,254,845
		15th	-	-	-	2,951,144
April	-	1st	-	-	-	2,794,734
		15th	-	-	-	5,740,247
May	-	1st	-	-	-	3,432,457
		15th	-	-	-	3,097,375
June	-	1st	-	-	-	3,014,706
		15th	-	-	-	3,463,701
July	-	1st	-	-	-	4,249,518
		15th	-	-	-	7,493,663
August		1st	-	-	-	4,563,165
		15th	-	-	-	4,491,179
September		1st	-	-	-	3,557,895
		15th	-	-	-	3,511,523
October		1st	-	-	-	3,763,835
		15th	-	-	-	5,801,238
November		1st	-	-	-	5,236,875
		15th	-	-	-	4,214,127
December		1st	-	-	-	3,500,858
		15th	-	-	-	4,021,565
						<hr/>
						24)101,372,810
						<hr/>
Average - -						4,223,867

WILLIAM DAWES, Accountant General.  
Bank of England, 12th May, 1828.

## 3.

An ACCOUNT of the Amount of ADVANCES made by the Bank of England to Government, on Exchequer Bills, and all other Securities, including Exchequer Bills, Deficiency Bills, Navy Bills, Victualling Bills, &c., on 26th August, 1827, and 26th February, 1828.

	Out of Sums issued for the Payment of Divi- dends.	Exchequer Bills Issued.	Exchequer Bills Purchased.	Advanced to- wards the Pur- chase of an An- nuity of £585,740, for 44 Years. per Act 4 Geo. IV. c. 22.	Total.
1827, Aug. 26.	£ 1,095,955	£ 3,727,331	£ 6,882,000	£ 9,575,599	£ 21,280,885
1828, Feb. 26.	1,085,908	3,328,628	6,132,000	10,416,859	20,963,395

Bank of England, 12th May, 1828.

H. HASE, Chief Cashier.

## 4.

An ACCOUNT of the Number of BRANCH BANKS of the Bank of England, that have been established under the Act 7 Geo. IV. c. 46.

NINE Branch Banks of the Bank of England have been established under the Act 7 Geo. IV. c. 46.

WILLIAM DAWES, Accountant General.

Bank of England, 12th May, 1828.

The following are the places where, and the order in which, the nine Branch Banks of the Bank of England have been established :

<i>Gloucester,</i>	{	Established before 7th April, 1827, as per Parliamentary Paper, No. 249.
<i>Manchester,</i>		
<i>Swansen,</i>		
<i>Birmingham,</i>		
<i>Liverpool,</i>	{	Established subsequently to the above date.
<i>Bristol,</i>		
<i>Leeds,</i>		
<i>Exeter,</i>		
<i>Newcastle-on-Tyne.</i>		

And it is understood that since the above return was made, the Bank of England have purchased houses at *Hull* and *Norwich*, for the purpose of establishing branches at these places, which will make the total number, eleven Branch Banks.

## Appendix, No. XXI.

### MILITARY AND NAVAL PENSIONS.

An ACCOUNT of the Value of an ANNUITY,  
transferred to the Bank of England, of £585,740,  
for Forty-four Years; estimated at the Current  
Prices of Annuities for the like period on the  
Stock Exchange, on 21st March, 1823, on 6th  
July, 1824, and on 5th January, 1826.

THERE were not any Annuities for the period of Forty-four Years, sold in fact, on the Stock Exchange, at any of the dates above mentioned; there being no Public Annuity for a limited term of years, in the market, except that which is known by the name of "*Long Annuity*," and which terminates on 5th January, 1860.

This Annuity was, moreover, shut from 1st March, 1823, until the 7th April following, so that on the particular day first above mentioned, viz., 21st March, 1823, it could not be sold on the Stock Exchange:

But, abating the accrued Dividends, its net Price,  
on the 1st March, 1823, was 18.849 years purchase:  
and on 7th April - - - 18.745:

So that taking a mean price for the 21st March, it would, if sold on that day, have probably been at 18.797 years purchase, at which time this Annuity had 36.79452 years to run, or 36 years 290 days.

On the second date above mentioned; viz., 6th July, 1824, it had only  $35\frac{1}{2}$  years to run, and sold at the net Price of 22.44283 years purchase; and on the third date (5th January, 1826) when it had only 34 years to run, its net price was 19.8792 years purchase.

Understanding, however, that the Return to the Order of The Honourable House of Commons, is to be founded on the Price at which an Annuity for *Forty-four* years, ought justly to have been valued at each date, in reference to the above Prices of another Annuity which is in fact of shorter duration; the answer is as follows\* :—

On the 21st March, 1823, an Annuity for 44 years was worth  
20.1623272 years purchase :

6th July, 1824 - 25.2567147 do.

5th January, 1826 22.48669127 do.

So that the Value of the said Annuity of £585,740 was,

on the 21st March 1823, equal to the sum of £11,809,881.

on the 6th July - 1824, - - - 14,793,868.

and on 5th January 1826, - - - 13,171,354.

JOHN FINLAISON,

Actuary, and Principal Accountant of the National Debt.  
National Debt Office, 16th February 1826.

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\* No Mathematical Formula for the exact solution of this problem has ever yet been discovered. It can only be solved, therefore, near enough for practical purposes, by methods of continual approximation.

## Appendix, No. XXII.

**EXTRACT from the Report from the House of Lords, No. 291, 12th May, 1819.****EBENEZER GILCHRIST, Esq. examined.****Q.** What is your business?**A.** I am the manager of the British Linen Company, an Incorporated Bank at Edinburgh.**Q.** Can you form an estimate of the total amount of Paper circulated in Scotland?**A.** I have been led to think that the circulation of Scotland may be from two and a half to three millions. I do not think that the circulation of all the Banks ever exceeded three millions, and I do not think it has ever been under two millions.**Q.** What do you conceive to be the proportion between the circulation of the three Chartered Banks, and that of the twenty-five private Banks?**A.** I should think that the circulation of the three chartered Banks is better than one half of the whole.

## Appendix, No. XXIII.

## BANQUE DE FRANCE.

Assemblée Générale des Actionnaires de la Banque de France, du 24 Janvier, 1828.—Compte rendu, au nom du Conseil-général de la Banque, par Mr. le Duc de Gaëte, Gouverneur.

MESSIEURS,—JE viens vous présenter, au nom du Conseil-général, le compte résumé des opérations de la Banque de France pendant l'année qui vient de s'écouler.

Diverses causes, telles que la privation des avantages extraordinaires que le service des emprunts avoit procurés à la Banque dans les années antérieures, celle de la rétribution précédemment accordée pour le paiement des rentes que le Trésor a acquittées directement, et la médiocrité des produits obtenus sur la foible quantité de Bons Royaux escomptés pour ce paiement, ont concouru à l'affoiblissement du bénéfice de l'année dernière, qui s'est arrêté à 81 fr. par action, y compris les réserves.

Toutefois, il convient de faire remarquer qu'il subsiste encore une augmentation de plus de 300 millions sur la masse des escomptes de 1823, qui ne s'étoient élevés qu'à 320 millions, et que, d'un autre côté, un beaucoup plus grand nombre d'effets du petit commerce est entré dans la composition habituelle du porte-feuille de la Banque, qui a rempli

d'autant plus complètement le but de son institution.

La dernière présentation de l'année a dépassé 12 millions, et l'on a pu y voir un augure favorable pour l'année qui commence. Le porte-feuille étoit, au 31 Décembre dernier, de 106,960,000 francs.

Il a été prélevé, conformément à la loi, sur les bénéfices de l'année dernière, une réserve qui a reçu le même emploi que les précédentes, et a porté à 337,000 fr. le revenu que les Actionnaires retirent des nouvelles réserves effectuées depuis le 1er Juillet 1820.

Le Conseil-général, dans l'intention de favoriser l'introduction des matières d'or et d'argent de l'étranger, et d'en déterminer principalement le commerce à Paris, a fixé, il y a quatre ans, au taux modique d'un pour cent seulement, par an, l'intérêt des avances que la Banque pourroit faire sur les dépôts de ces matières. Le produit de cette utile opération s'est élevé, en 1827, à 105,437 francs.

La Banque a continué d'épargner au Trésor Royal les frais de refonte des anciennes monnaies qui sont rentrées dans ses caisses, par les versements des Receveurs de deniers publics. Les fabrications qu'elle a fait faire depuis le milieu de l'année 1820, forment aujourd'hui un objet de 105,904,180 fr., sans qu'il ait pu, ainsi que j'ai eu précédemment l'honneur de vous le faire observer, en résulter aucune perte pour elle ; l'abondance des capitaux, que la confiance laisse habituellement oisifs dans les caisses de la Banque, lui ayant toujours permis, sans préjudice pour elle, d'accorder au Directeur des monnaies, avec les garanties nécessaires, quelque délai pour le remplacement des vieilles espèces qui lui

ont été confiées. La jouissance de ces fonds sans intérêt lui tient lieu du paiement des frais de fabrication, réglés par la loi.

La situation de la réserve de la Banque, en numéraire, a constamment dépassé de beaucoup la proportion nécessaire pour assurer la plus scrupuleuse exactitude dans le remboursement des Billets.

Les Tableaux qui vous ont été remis vous ont fait connoître les détails des frais que l'Administration de la Banque a nécessités pendant l'année 1827. Les comptes qui forment les éléments de ces Tableaux ont été examinés par MM. les Régents et vérifiés par MM. les Censeurs.

J'ajoute, suivant l'usage, à ces renseignements, celui concernant le mouvement des Caisses pendant le cours de l'année dernière.

Il est entré et sorti, dans les deux semestres,

En Argent.....	F.	534,888,678
En Billets.....		5,875,775,500

Total.....		6,410,664,178
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Le Conseil-général de la Banque a toujours de nouveaux éloges à donner à l'activité et au zèle de tous les employés qui concourent au succès de ce grand Etablissement.

M. Ollivier, régent, dont l'exercice finissoit avec l'année 1827, a adressé sa démission au Conseil-général, et a ainsi renoncé à des fonctions dans lesquelles il avoit montré, pendant 25 ans, autant de lumières que de zèle pour les intérêts de la Banque.

Les lettres que j'ai eu l'honneur de vous adresser vous ont fait connoître, et je vous le rappelle ici, que les Membres, au remplacement desquels vous

aurez à procéder, après que vous aurez entendu le Rapport de MM. les Censeurs, sont ;

Parmi MM. les Censeurs :

M. Outrequin, dont l'exercice a fini en 1827 ;

Parmi MM. les Régents :

M. Ollivier, démissionnaire, dont l'exercice eût fini en 1827 ;

MM. Delessert, }  
Hottinguer, } sortant d'exercice.

Vous savez que MM. Outrequin, Delessert et Hottinguer sont rééligibles.

# **RESULTAT DES OPERATIONS DE LA BANQUE DE** *Cinquante-cinquieme Dividende.*

**DOIT.****Extrait du Compte de Profits et**

**DEPENSE FIXE.** (*Loi du 22 Avril 1806, et Statuts du 16 Janvier 1808*).

	fr.	c.
Honoraires de M. le Gouverneur et de MM. les Sous-Gouverneurs.....	60,000	frs.
Indemnités de MM. les Sous-Gouverneurs, pour chauffage et lumière, fixées par arrêté du Conseil-général du 27 Avril, 1809, en conséquence de l'article 29 des Statuts .....	3,000	
	63,000	0

**DEPENSES VARIABLES** *délibérés par le Conseil-général.*

Appointements de 86 Employés et de 118 Garçons de Recette, de Comptoir, de Bureau, etc. ; d'un Officier de Santé et d'un Mécanicien.....	290,472	11
Indemnités accordées aux Comptables pour les erreurs et pertes .....	14,300	0
Indemnités temporaires ou accidentelles: Supplément aux Pensions assignées sur la Caisse de retraite des Employés ; et secours, une fois payés, aux veuves et enfants Employés décédés avant d'avoir acquis des droits à la pension .....	14,559	87
Actes de bienfaisance: Secours aux Indigents des 12 Arrondissements de Paris, et à des Associations philanthropiques .....	17,000	0
Contributions foncières et Impôts des Portes et Fenêtres	6,992	80
Garde extérieure et Pompiers .....	4,874	0
Entretien des Bâtiments de la Banque .....	6,720	75
Entretien des Chariots et des Chevaux pour le service des Recettes .....	2,123	15
Droits de Timbre pour les Actions et les Registres; Fournitures de Bureaux; ports de Lettres; papier pour les Bureaux et pour l'Imprimerie établie à la Banque .....	111,63	22
Chauffage et Eclairage des Bureaux .....	2,931	55
Droits de présence .....	18,472	50
Dépenses diverses: Frais de Justice; passe des Sacs; achats de Barils; entretien et renouvellement du Mobilier des Bureaux; menues dépenses de toutes natures; dépréciation des Mobiliers et du compte des frais de la fabrication des Billets .....	15,483	08
Dépenses arriérées: Solde des Mémoires non réglés au 24 Décembre de chaque année .....	916	70
Frais d'Uniformes aux Garçons de Recette et de Bureaux .....	4,365	80
<b>Total des Dépenses Administratives.....</b>	<b>473,375</b>	<b>53</b>
Escompte non acquis et réservé pour le semestre proch. sur 89,463,116 f. 83 c. d'Effets sur Paris, escomptés au commerce de Paris, existant en portefeuille, le 24 Juin dernier .....	328,068	58
Intérêts non acquis le même jour, sur 8,442,745 francs d'avances faites sur Dépôt de Lingots et Monnaies d'Or et d'Argent, réservés pour le semestre prochain	4,663	0
Dépréciation, à raison de dix pour cent, sur les Effets en souffrance.....	3,830	0

809,973 11

Solde en Bénéfices..... 2,966,919 18

## FRANCE, PENDANT LE SECOND SEMESTRE 1827.

*Premier Semestre de l'An 1827.*

Pertes, au 24 Juin même année.

AVOIR.

Fr c.

Escompte des Effets existant en porte-feuille, le 24 Décembre dernier, non acquis au Semestre précédent, et réservé pour le présent Semestre :

1 <sup>o</sup> . Sur 102,710,563 francs 15 centimes d'Effets sur Paris, escomptés à Paris.....	444,607 fr. 83 c.	}	490,869	48
2 <sup>o</sup> . Sur 20,064,387 fr. 50 c. de Bons Royaux, escomptés au Trésor....	33,944 45			
3 <sup>o</sup> . Sur 20,531,920 francs de Lingots et Monnaies d'Or et d'Argent....	12,317 20			
Excédant des Bénéfices du précédent Semestre, non réparti .....			5,818	27

Escompte pendant le présent semestre :

1 <sup>o</sup> . Sur 277,346.527 fr. 73 c. d'Effets sur Paris, escomptés au Commerce de Paris.....	1,846,678 45	}	1,989,566	50
2 <sup>o</sup> . Sur 30,548,332 francs 50 centimes de Bons Royaux, escomptés au Trésor Royal.....	142,888 05			

Six mois d'arrérages de 2,313,000 francs de Rentes, cinq pour cent consolidés, échus le 22 Mars dernier 1,156,500 0

Recettes diverses se composant des droits de garde des Dépôts volontaires, etc. etc ..... 3,177 19

Remboursement des frais de la Banque, pour le paiement du premier Semestre de cette année, des Arrérages de la Dette publique..... 60,000 0

Intérêts des Avances sur Dépôts de Lingots et Monnaies d'Or et d'Argent ..... 70,924 85

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3,776,856 29

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Dividende légal sur 67,900 Actions en circulation, à.....

30 f. 0 c. 2,037,000 0

2<sup>me</sup>. Dividende à ..... 9 0 611,100 0

Réserve à 67,900 Actions à ..... 4 50 305,550 0

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Dividende et réserve..... 2,953,650 0

Appoint porté au crédit de profits et pertes, compte nouveau ..... 13,269 18

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Total égal aux bénéfices..... 2,966,919 18

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# **RESULTAT DES OPERATIONS DE LA BANQUE DE** **Cinquante-cinquieme Dividende**

## **DOIT.** **Extrait du Compte de Profits et**

<i>DEPENSE FIXE. (Loi du 22 Avril, 1806, et Statuts du 16 Janvier 1808.)</i>		fr.	c
Honoraires de M. le Gouverneur et de MM. les Sous-Gouverneurs.....	60,000 frs.	}	63,000 0
Indemnités de MM. les Sous-Gouverneurs, pour chauffage et lumière, fixées par arrêté du Conseil-général, du 27 Avril, 1809, en conséquence de l'article 29 des Statuts .....	3,000		
<i>DEPENSES VARIABLES délibérées par le Conseil-général.</i>			
Appointements de 86 Employés et 118 Garçons de Recette, de Comptoir, de Bureau, etc.; d'un Officier de Santé et d'un Mécanicien .....		288,505	46
Indemnités accordées aux comptables pour les erreurs et pertes.....		14,050	0
Indemnités temporaires: supplément aux pensions assignées sur la Caisse de retraite des Employés.....		14,508	35
Garde extérieure et Pompiers.....		6,142	0
Entretien des Bâtiments de la Banque .....		3,824	73
Entretien des Chariots et des Chevaux pour le service des Recettes.....		1,689	32
Droits de Timbre pour les Actions et les Registres; Fournitures de Bureaux; ports de Lettres; papier pour les Bureaux et pour l'Imprimerie établie à la Banque.....		13,243	40
Chauffage et éclairage des Bureaux.....		23,726	70
Droits de présence .....		16,416	0
Dépenses diverses: Frais de Justice; passe des Sacs; achats de Barils; entretien et renouvellement du Mobilier des Bureaux; menues dépenses de toutes natures; dépréciation des Mobiliers et du compte des frais de la fabrication des Billets .....		22,042	24
Frais d'Uniformes aux Garçons de Recette et de Bureaux.....		684	25
Total des Dépenses Administratives.....		467,832	45
Escompte non acquis sur les Effets existant en portefeuille le 24 Décembre, et réservé pour le semestre prochain, savoir:			
1 <sup>o</sup> . 97,148,017 francs 54 c. d'Effets sur Paris, escomptés au Commerce de Paris..	400,661 fr. 40 c.	}	410,661 40
2 <sup>o</sup> . 6,000,000 fr. de Bons Royaux, escomptés au Trésor R.....	10,000 0		
Intérêts non acquis le même jour, sur 4,736,930 fr. d'avances faites sur Dépôts de Lingots et Monnaies d'Or et d'Argent, réservés pour le semestre prochain			
Dépréciation, à raison de dix pour cent, sur les Effets en souffrance .....		3,000	0
		883,796	15
Solde en Bénéfices.....		2,554,930	19
		3,438,726	34

# RANCE, PENDANT LE SECOND SEMESTRE, 1827 *semestre de l'An 1827.*

ertes, au 24 Décembre même année.

AVOIR.

Fr. c.

compte des Effets existant en Porte-feuille le 24		
Jun dernier, non acquis au semestre précédent, et		
réserve pour le présent semestre:		
Sur 89,463,116 fr. d'Effets sur		
Paris, escomptés à Paris..... 328,068 fr. 58 c.	}	332,731 58
Sur 8,442,745 fr. de Lingots et		
Monnaies d'Or et d'Argent .... 4,663 0		
Excédant des Bénéfices, du précédent Semestre, non		
réparti .....		13,269 18
compte pendant le présent Semestre :		
Sur 278,726,280 francs 75 cen-		
times d'Effets de commerce, es-		
comptés à Paris..... 1,823,228 95	}	1,890,173 35
Sur 34,500,000 francs de Bons		
Royaumes, escomptés au Trésor .. 66,944 40		
5 mois d'Arrérages de 2,329,000 francs de Rentes, cinq		
pour cent consolidés, échus le 22 Septembre dernier		1,164,500 0
Recettes diverses, se composant des Droits de garde		
sur Dépôts volontaires, etc. ....		3,539 93
Intérêts des avances sur Dépôts de Lingots et Mon-		
naies d'Or et d'Argent .....		34,512 30
		<u>3,438,726 34</u>

Dividende légal sur les 67,900 Actions en cir-		
culation, à .....	30 f. 0 c.	2,037,000 0
2 <sup>me</sup> Dividende à .....	5 0	339,500 0
Réserve à 67,900 Actions à 2 50		169,750 0
		<u>2,546,250 0</u>
Dividende et réserve.....		
Appoint porté au crédit de profits et pertes,		
compte nouveau.....		8,680 19
		<u>2,554,930 19</u>
Total égal aux bénéfices.....		

**RAPPORT de MM. les Censeurs, fait Par M. le Chevalier Outrequin, (l'un d'eux).**

**MESSIEURS,**—Vous venez d'entendre le Discours de M. le Gouverneur, qui vous présente le résumé des opérations faites par la Banque pendant le cours de l'année qui vient de s'écouler.

Le devoir de vos Censeurs étoit de surveiller ces opérations, et ce devoir, ils croient l'avoir rempli avec toute l'attention que leur commande la confiance dont vous les avez honorés : ils ont la satisfaction de vous déclarer que vos statuts ont été religieusement suivis.

Le résultat de ces opérations n'a pas été aussi brillant que celui des années précédentes : M. le Gouverneur vous en a indiqué les causes principales. A mesure que le crédit public s'est fortifié, les secours de la Banque sont devenus moins nécessaires ; les capitaux particuliers sont venus peu-à-peu se fondre dans nos effets publics, et remplacer ceux que la Banque s'étoit empressée de leur offrir, pour les soutenir et les amener à un point d'élévation tel, que son appui est devenu à peu près inutile.

Pendant plusieurs années le Trésor a eu recours à la Banque pour faciliter le paiement des rentes : ce service lui procuroit l'escompte de Bons Royaux pour des sommes importantes, indépendamment de l'indemnité qui lui étoit allouée pour effectuer ces paiements. Aujourd'hui le Trésor fait lui-même son service, et ses propres moyens lui rendent peu nécessaires les escomptes de ses Bons.

Pendant quelques années le mouvement des espèces et des matières d'or et d'argent en avoit

amené sur la place de Paris pour des sommes considérables, qui venoient se déposer à la Banque. Les avances qu'elle faisoit sur ces dépôts lui procuroient des bénéfices qui se sont élevés quelquefois au-delà de 600,000 fr. par an.

Ce mouvement s'est bien ralenti ; il n'a produit cette année que 105,436 francs.

De nouvelles combinaisons financières, soit en France, soit dans les Etats voisins, peuvent r'ouvrir de nouvelles sources de bénéfices de ce genre, et la Banque, avec ses puissants capitaux, se trouvera toujours en mesure d'en profiter.

La Banque s'est donc trouvée pendant toute l'année dernière, par la force des choses, réduite aux opérations qui sont le but principal de son institution, qui est de donner au commerce tous les secours dont il peut avoir besoin. Son porte-feuille s'est presque exclusivement composé d'effets de commerce : eh bien ! Messieurs, la différence sous ce rapport, avec les années les plus productives, n'a pas été très-sensible.

En 1827, le montant des effets escomptés a été de 621 millions 121 mille 159 francs, et les Bons Royaux n'y ont figuré que pour le dixième environ. Si les années 1825 et 1826 ont offert de plus fortes sommes, c'est que les Bons Royaux y figurent dans une proportion beaucoup plus forte.

Le porte-feuille d'effets de commerce a été presque constamment composé d'environ 100 millions.

La vérification s'en est faite régulièrement tous les trois mois, et n'a donné lieu à aucune observation.

On doit donc rendre cette justice à la Banque, qu'elle a ouvert ses caisses au commerce avec la même largesse, et que le fonds de ses bénéfices naturels, de ceux auxquels elle tient le plus, s'est sou-

tenu au même niveau, malgré la stagnation générale des affaires.

Si la paix générale, si la stabilité dans nos institutions intérieures, si la sécurité de nos relations extérieures venoient ranimer notre industrie et donner à notre commerce tout l'essor dont il est susceptible, vous pouvez, Messieurs, vous former une idée du développement que pourroient prendre les opérations de la Banque.

La Banque a continué de faciliter la refonte des vieux écus de 6 de 3 livres, sans qu'il en résultât aucuns frais pour elle, ni pour le Trésor. Etre utile au public a été son but et sa récompense. La refonte s'est élevée pendant le cours de l'année à 11,335,000 francs, et, depuis l'année 1820 jusqu'à ce jour, à 105,900,000 francs.

La réserve en espèces a été, pendant toute l'année, de 180 à 200 millions, et les billets en émission de 190 à 230 millions; cette surabondance est le résultat du peu d'activité des affaires.

Les Comptes courants, dont le nombre va toujours croissant, ont été tenus avec la même exactitude, malgré l'augmentation du travail.

Il y a eu 510,053 effets versés au comptant, formant une somme de 836,263,179 fr.; c'est, à une légère différence près, la même chose que l'année précédente.

Les encaissements des effets escomptés ont  
monté à..... 556,072,807 fr.

Non compris les Bons Royaux  
pour..... 65,048,352

Le mouvement général des  
Caisses a été de..... 534,888,678

en Espèces, et de 5,875,775,500 f. en Billets.

Ce mouvement se rapproche de celui de l'année précédente.

Les Mandats de virements ont occasionné un mouvement de 2,005,585,000 francs.

Tous ces mouvements réunis forment un mouvement total de 8 milliards 416 millions 247 mille 170 francs.

En résumé, Messieurs, vous remarquerez que les mouvements qui proviennent des opérations commerciales n'offrent pas une grande différence avec ceux de même nature qui ont eu lieu dans les années précédentes, et que les plus grandes différences proviennent des opérations éventuelles de la Banque avec le Trésor, ou qui avoient leur source dans le mouvement général des effets publics.

La Banque a donc été constante dans la marche qui lui est tracée par ses Statuts; elle a ouvert ses caisses au commerce dans les proportions de ses besoins, et elle est toujours prête à seconder ses efforts par tous les moyens que vous avez mis à sa disposition.

Les mutations d'Actions n'ont pas été proportionnellement plus nombreuses que dans les années précédentes. Les Actions de banque sont devenues une espèce d'immeubles dans les familles, et se transmettent plus par voie de succession que par des négociations à la Bourse.

Les fonds de la réserve se sont accrus, par les deux semestres de l'année dernière, de 475,300 francs, qui ont été employés, comme les précédents, en achats de rentes cinq pour cent. Le montant total de la réserve est aujourd'hui de 6 millions 623 mille 625 fr. représentés, sauf un appoint de 9,149 fr., porté à compte nouveau par 337,000 fr. de rente, qui resorment au prix moyen de 98 fr. 13 c.

D'après les comptes que vous avez sous les yeux, vous verrez, Messieurs, que le chapitre des dé-

penses administratives pour les deux semestres, s'élève à 941,207 fr. 98 c.; mais il faut en distraire 25,855 fr. 30 c. pour prélèvement de cinq pour cent pour la dépréciation du Mobilier, et de dix pour cent pour les frais de fabrication des Billets ; articles qui ont été passés séparément dans les comptes précédents ; ce qui réduit les dépenses administratives, pour 1827, à 915,352 fr. 68 c.; et conséquemment à 15,917 fr. 20 c. de moins que l'année précédente, où elles s'étoient élevées à 931,269 fr. 88 c.

Toutes ces dépenses ont été examinées avec le plus grand soin, et aucune n'a paru à vos Censeurs pouvoir être économisée ; elles ont été fixées avec justice et vérifiées avec attention. Les détails vous convaincront que l'esprit d'ordre et d'économie a présidé à chaque nature de dépense. Vos Censeurs ont assisté à la discussion de chacune d'elles; ils les ont approuvées, bien convaincus qu'aucune réduction ne pouvoit avoir lieu sans compromettre la marche d'une Administration si étendue et si compliquée dans ses détails. Il est de leur justice de vous réitérer le témoignage qu'ils vous rendent chaque année de l'exactitude avec laquelle tous les employés remplissent leurs devoirs.

Vous en serez convaincus quand vous songerez que dans un mouvement aussi considérable, tout se fait avec une régularité et une précision telles, que chaque soir la balance générale est rigoureusement établie.

*L'Assemblée a réélus :*

Censeur pour trois ans, M. le Chevalier OUTREQUIN  
Et Régents pour Cinq ans, MM. les Barons HOT-  
TINGUER et DELESSERT.

Elle a nommé Régent, pour cinq ans, M. PILLET-  
WILL, Banquier.

## BANQUE DE FRANCE, rue La Vrillère.

La Banque de France a, par les lois des 24 germinal an xi (14 Avril 1803) et 22 Avril 1806, le privilège d'émettre seule des billets payables au porteur et à vue. Elle a ce privilège pour quarante ans, à compter du 1er vendémiaire an 12 (23 Septembre 1803).

Les opérations de la Banque consistent :

1<sup>o</sup> *A escompter* à toutes personnes des lettres de change et autres effets de commerce à ordre, à des échéances déterminées qui ne peuvent excéder trois mois, timbrés et garantis par trois signatures, au moins, de commerçans et autres personnes notoirement solvables.

Elle admet néanmoins à l'escompte des effets garantis par deux signatures seulement, mais notoirement solvables, après s'être assurée qu'ils sont créés pour fait de marchandises, si on a ajouté à la garantie des deux signatures un transfert d'actions de banque ou de cinq, de quatre et demi, de trois pour cent, ou des annuités, ou des actions des canaux libérées, dont, en définitive, le gouvernement est débiteur, ou autres effets publics dont il est débiteur.

2<sup>o</sup>. *A faire des avances sur les effets publics* qui lui sont remis en recouvrement, lorsque leurs échéances sont déterminées.

3<sup>o</sup>. *A faire des avances sur les dépôts de lingots ou monnaies étrangères d'or et d'argent* qui lui sont faits, moyennant l'intérêt d'un pour cent l'an. Le terme fixé pour les dépôts est de quarante-cinq jours : ils peuvent être renouvelés. L'intérêt est retenu sur les avances ; il reste acquis à la Banque, quoique les dépôts soient retirés avant l'échéance. La Banque peut disposer du dépôt, s'il n'est pas retiré à l'échéance, ou s'il n'est pas renouvelé. La Banque n'admet pas de dépôt au-dessous de dix mille francs.

4<sup>o</sup>. *A tenir une caisse de dépôts volontaires*, pour tous titres, effets publics nationaux et étrangers, actions, contrats, obligations de toute espèce, lettres de change, billets, et tous engagements à ordre ou au porteur, les lingots d'or et d'argent, les monnaies d'or et d'argent nationales et étrangères, et les diamans, moyennant un droit de garde sur la valeur estimative du dépôt, qui ne peut excéder un huitième d'un pour cent pour chaque période de six mois et au-dessous.

Ce droit, payable d'avance, reste acquis à la Banque, quoique le dépôt soit retiré avant le terme convenu.

5<sup>o</sup>. *A se charger*, pour le compte des particuliers et des établissemens publics, du recouvrement des effets qui lui sont remis.

6<sup>o</sup>. *A recevoir en compte courant* les sommes qui lui sont versées par des particuliers et des établissemens publics, et à payer les dispositions faites sur elle, et les engagements pris à son domicile, jusqu'à la concurrence des sommes encaissées.

La Banque fournit aux personnes qui le désirent des récépisses de toutes sommes payables à vue. Ces récépisses sont nominatives ; ils ne sont payés que sur l'acquit de la personne qui les a reçus ; ce qui prévient toute espèce de danger, de soustraction, de vol, &c.

*Les jours d'escompte* sont les lundis, mercredis et vendredis.

*Le taux* est déterminé par le conseil-général.

*Pour être admis à l'escompte et avoir un compte courant* à la banque, il faut en faire la demande par écrit à M. le gouverneur, et l'accompagner d'un certificat signé du demandeur et de trois personnes connues qui certifient signature et qu'il fait honneur à

ses engagements. Les faillis non réhabilités ne peuvent pas être admis à l'escompte.

La Banque ne peut admettre d'opposition sur les sommes qu'elle a en compte courant. Ceux qui font des dispositions sur la Banque, sans lui en avoir fait les fonds pour les échéances, peuvent être privés de leur compte courant par le conseil-général.

On peut céder l'usufruit des actions de la Banque.

Nonobstant la cession de l'usufruit, on peut disposer de la nue propriété.

Les actions de la Banque peuvent être immobilisées par la simple déclaration du propriétaire : dès lors elles sont à l'instar des immeubles de toute nature ; elles sont sujettes aux mêmes lois, elles ont les mêmes prérogatives.

Un arrêt du conseil d'état du 18 août 1825, a décidé que les actions immobilisées ne peuvent pas être rémobilisées, si c'est dans les cas prévus par les statuts de 1808 et 1809, concernant les majorats.

Les actions immobilisées peuvent être affectées à la dotation d'un majorat.

#### GOUVERNEMENT DE LA BANQUE.

M. le Duc de Gaete (G. C. \*), *gouverneur*, r. de Clichy, 5.

M. le Bn. Thibon \*, *1er sous-gouverneur*, à la Banque.

M. le Bn. Rodier, *2e sous-gouverneur*, à la Banque.

#### ADMINISTRATION DE LA BANQUE.

##### *Conseil Général.—15 Régens.*

Bn. Jn. Chs. Davillier, nég.	De Saulty, recev-gén. de Seine
Bn. Benj. Dellessert, O.	et Oise
Bn. Hottinguer, nég.	Jacq. Lefebvre, nég.
Chev. Vital-Roux, nég.	Cottier, banq.
Guiton, jeune, nég.	Cir. Périer, banq.
Olivier, anc. nég.	Caccia, banq.
Jacq. Laffitte, banq.	Reiset, recev.-gén. Seine-infer.
Buffault, recev-gén. de la Meuse	Bn. Mallet, banq.

##### *3 Censeurs.*

Odier, nég.-manuf.	Moreau, nég.
Outrequin, banq.	

##### *Conseil d'Escompte.—12 Membres.*

Bellangé, nég.-fab.	Lafond, fils, commerce de vins
Ardoïn, banq.	Hacquart, O., ancien imprimeur
Besson, neveu, commerce de vins	Davillier, aîné, nég.
Valois, jeune, nég.	Vassal, banq.
Gasp. Got, nég.	Rougeoin, aîné, architecte
Ternaux, fils, nég.	Fould, banq.

##### *Chefs Principaux.*

Bn. Garat, directeur	Maillard, contrôleur
Bn. de Crousaz-Cretel, caissier princip.	Audibert, père, secrét. du conseil général.

*Chefs Particuliers.*

Soret, bur. de l'escompte	Brisbarre, jeune, bur. des livres
Poyanne, bur. des actions	Ville, fils, bur. de l'imprimerie
Gastellier, bur. des effets au comptant	et des billets.

*Caissiers Particuliers.*

Maisonnier, recettes	Messié, échange des billets con-
Moulta, 1re caisse de paiement	tre espèces
Delafrénay, 2e caisse de paiemt.	Henry, paiement des rentes
Audibert, fils, 3e caisse de paiemt.	

*Conseil du Contentieux.*

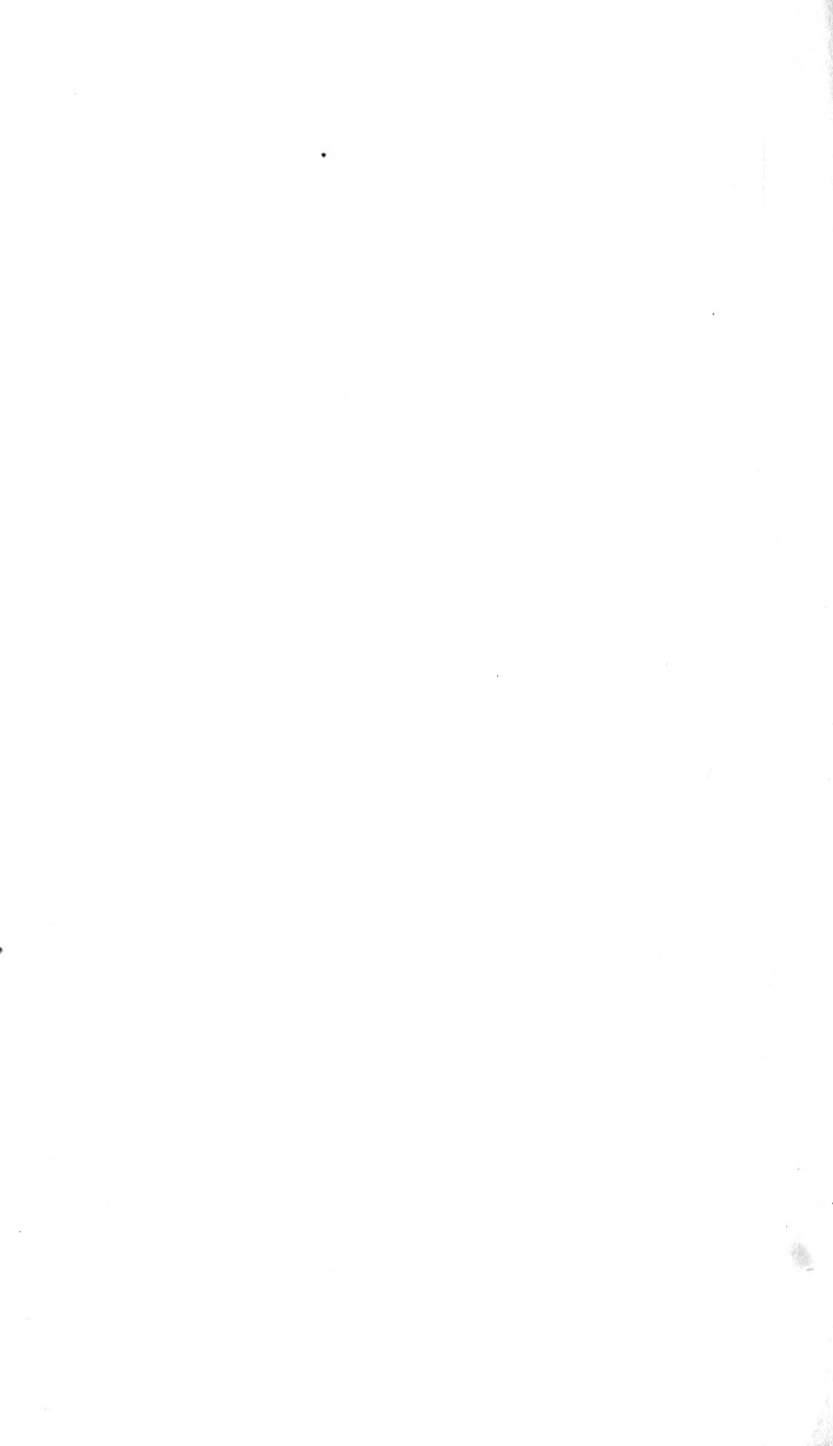
Bonnet, O., conseiller, Cour de Cassat	Hocmelle, jeune, avoué Trib. 1re instance
Pérignon, avocat, cour royale	A. Durand, défenseur agréé au
Vildé, avocat aux conseils du roi	Trib. de Commerce
Juge, jurisconsulte, anc. avoué	Vaunois, huissier
Corbin, notaire	

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Bonneville, aîné, essayeur	Lacroix, doct. en chir.
Delannoy, architecte	













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